

REBUTTAL TESTIMONY

of

Mike Luth

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Rates Department
Financial Analysis Division
Illinois Commerce Commission

Illinois-American Water Company

Docket No. 02-0690

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ICC Staff ICC ST. 18.0 Revised

Witness _____

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Witness Identification

- 1 Q. Please state your name and business address.
- 2 A. Mike Luth, Illinois Commerce Commission, 527 East Capitol Avenue,
3 Springfield, Illinois 62701.
- 4 Q. Are you the same Mike Luth who filed testimony in this docket, which was
5 identified as ICC Staff Exhibit 8.0 with accompanying schedules?
- 6 A. Yes, I am.

Introduction to Testimony

- 7 Q. What is the subject matter of this testimony?
- 8 A. In this phase of the docket I am submitting Exhibit 18.0 (Revised) and
9 accompanying Schedules 18.1, 18.2, 18.3, 18.4, and 18.5 (Revised) which
10 present the water service rates for Illinois-American Water Company ("Illinois-
11 American") service areas identified as the Southern Division, Peoria District,
12 Streator District, and Pontiac District. The rates are developed from the
13 revenue requirement shown in Staff witness Theresa Ebrey's Exhibit 11.0,
14 Schedule 11.1 SPSP.
- 15 I will also address the direct testimony of City of O'Fallon witnesses Charles
16 W. King and Dean Rich, and rebuttal testimony of Illinois-American witnesses
17 Michael A. Rumer and Ronald D. Stafford, as those testimonies pertain to cost
18 of service and rate design.

Explanation of Revisions to Previously Filed Rebuttal Testimony

19 Q. Please briefly explain the revisions that you have made to testimony previously
20 filed as ICC Staff Exhibit 18.0 with supporting schedules.

21 A. I have corrected some minor errors to Schedule 18.1 – S/P/St. and Schedule
22 18.1 – Pontiac. The correction of the errors in Schedule 18.1 – S/P/St. has a
23 minor effect upon usage rates but no effect upon customer charges. The
24 change in usage rates in Schedule 18.1 – S/P/St. affects the bill comparisons
25 on Schedules 18.2 – S/P/St. and 18.4 – S/P/St. and the analysis of the large
26 user rate on Schedule 18.3 – S/P/St. The correction of the error in Schedule
27 18.1 – Pontiac does not affect rates, but it does affect class cost of service
28 and the percentage that Staff-proposed rates recover the cost of service for
29 each class.

30 There are two revisions to Schedule 18.1 – S/P/St. One revision does not
31 affect rates, which is a change in the analysis of equivalent meters and
32 services shown on page 15. This change properly groups the Streator
33 customer classes with Southern Division and Peoria District customer
34 classes. The previously filed version of Schedule 18.1 – S/P/St. did not
35 properly include Streator customers with Southern and Peoria customers in
36 measuring equivalent meters and services. The change to equivalent meters
37 and services does not, however, affect rates shown on page 1 of Schedule
38 18.1- S/P/St.

39

40 The second revision to Schedule 18.1 – S/P/St. originates in the re-allocation
41 of small mains revenue requirement shown on page 10. The net adjustment
42 should total \$0 because the amount re-allocated should equal the amount
43 removed. In Schedule 18.1 – S/P/St. (Revised) the net adjustment totals \$0,
44 but in Schedule 18.1 – S/P/St. as first filed on e-docket, the net adjustment
45 totaled \$516,275. This resulted in an over-allocation of costs to the first two
46 usage blocks and an under-allocation of costs recovered through the third and
47 fourth usage blocks. This revision slightly decreases the first two usage block
48 rates, slightly increases the third and fourth usage block rates, and slightly
49 increases the large industrial rate shown on page 1 of Schedule 18.1 – S/P/St.
50 (Revised).

51 The revision to Schedule 18.1 – Pontiac originates on page 10. Annual
52 consumption for the Industrial customer class has been revised to eliminate
53 demand billing units. Since demand billing units do not represent usage on an
54 annual basis, demand billing units should not be included in developing class
55 allocation factors based upon usage. This revision did not affect Staff-
56 proposed rates, but the revision did affect class cost of service and, except for
57 the Other Public Authorities customer class, narrowed the margin between
58 total class revenues and class cost of service shown on page 1 of Schedule
59 18.1 – Pontiac (Revised). Narrowing the margin in the percentage of revenue
60 recovery for the Other Public Authorities class cost of service does not warrant
61 the necessary increases to the first and second usage blocks if a declining

62 block rate structure is to be maintained. Increases in the first and second
63 usage block rates would increase the revenue recoveries from the Residential,
64 Commercial, and Industrial classes. With the Residential and Commercial
65 customer classes paying more than cost of service under Staff-proposed
66 rates, and the Industrial class paying 99 percent of cost of service, it is not
67 appropriate to increase the first and second usage block rates by a greater
68 amount so that the revenue recovery from the Other Public Authorities
69 customer class is closer to cost of service.

Rate Design

70 Q. Please describe Schedule 18.1.

71 A. Schedule 18.1 is an update of Schedule 8.1 that was included in my direct
72 testimony. I prepared two versions of Schedule 18.1, one with suffix – S/P/St.
73 and the other with suffix – Pontiac. Schedule 18.1 – S/P/St. presents the cost
74 of service study (“COSS”) and rates for the combined Southern Division,
75 Peoria District, and Streator District. Schedule 18.1 – Pontiac presents the
76 cost of service study and rates for the Pontiac District. As in Schedule 8.1 of
77 my direct testimony, the cost of service studies and rates presented in
78 Schedule 18.1 begin with plant-in-service balances and revenue requirements
79 provided by the Company in its reply to Staff data request ML-1. As in
80 Schedule 8.1 in my direct testimony, Staff adjustments to revenue requirement
81 summarized in Ms. Ebrey’s Schedule 11.1 are allocated between Schedule
82 18.1 – S/P/St. and Schedule 18.1 – Pontiac.

Streator Fully Included in Single Tariff Pricing Group

83 Q. Why are you now grouping the Streator District with the Southern Division and
84 the Peoria District?

85 A. The main reason is that, in direct testimony, I recommended the same rates for
86 the Streator District as the Southern Division (ICC Staff Exhibit 8.0, page 13,
87 lines 238 through 246). Grouping the Streator cost of service study with the
88 Southern Division and Peoria District is reasonable if, with the exception of the
89 Peoria 3^d and 4th usage blocks, all three billing areas are to pay the same
90 rates. Grouping Streator with the Southern Division and the Peoria District
91 also has the effect of reducing the stand-alone Streator fire protection rates
92 that were presented in my direct testimony.

93 Q. Did the Company agree with fully including Streator in the STP group in
94 determining cost of service and rates?

95 A. Yes, Illinois-American witness Rumer suggested full inclusion of Streator with
96 the Southern Division and Peoria District for cost of service and rates. One of
97 the benefits of full inclusion of Streator cited by Mr. Rumer is that differences in
98 public and private fire protection rates in the Streator District will be smoothed
99 out (Illinois-American Exhibit R-6.0, page 4, lines 11 through 16). A
100 comparison of Streator fire protection rates presented in Schedule 8.1 – S &
101 P of my direct testimony with Schedule 18.1 - S/P/St. of my rebuttal testimony

102 shows that Streator fire protection rates are lower than if Streator fire
103 protection rates were to be determined on a stand-alone basis.

Pontiac Fire Protection

104 Q. Have you included Pontiac with the STP group for fire protection?

105 A. Yes, I have in that I have compared Pontiac fire protection rates had Pontiac
106 been part of the STP group with Pontiac fire protection rates on a stand-alone
107 basis. As with Streator, including Pontiac in the STP group for fire protection
108 decreases the monthly fire protection rates. Since Pontiac is to be moved into
109 the STP group over a period of time, it is appropriate to compare Pontiac fire
110 protection rates on a stand-alone basis with Pontiac fire protection rates as if
111 Pontiac was part of the STP group. Since Pontiac fire protection rates would
112 have been reduced had Pontiac been part of the STP group, I am
113 recommending no change in current Pontiac fire protection rates, whether
114 public or private. I do not recommend the reduction of Pontiac fire protection
115 rates to the level the Pontiac fire protection rates would have been as part of
116 the STP group, however, because with different usage rates and usage
117 blocks, Pontiac is still separated to a degree from the STP group. Inclusion of
118 the stand-alone Pontiac fire protection costs with the STP group fire protection
119 costs would have caused an increase in the fire protection rates of other
120 service areas in the STP group.

121 Q. Are you recommending a rate for private fire hydrants at Pontiac?

122 A. Yes, I am. In direct testimony, I did not present a rate for private fire hydrants at
123 Pontiac, although the cost of service study calculated a monthly rate. Illinois-
124 American does not currently have a private fire hydrant rate at Pontiac and did
125 not present a new rate in its direct testimony (Exhibit 14.0, Schedule E-2, page
126 38 of 47). Given the Company's data request of me after I filed direct
127 testimony and the rebuttal testimony of Mr. Rumer referencing my reply to the
128 data request concerning a private fire hydrant rate at Pontiac, the Company
129 apparently believes that it should have a private fire hydrant rate in effect at
130 Pontiac. The private fire hydrant rate at Pontiac should be set at the cost of
131 service rate shown on page 2 of Schedule 18.1. The amount of revenues
132 realized from the private fire hydrant rate at Pontiac is not significant in the test
133 year, with one customer billed monthly.

Industrial Customers

134 Q. Have you recalculated the structure of the Metered Large User Water Service
135 rate presented in the Rebuttal Testimony of Illinois-American witness Michael
136 A. Rumer (IAWC Exhibit R-6.4)?

137 A. Yes, I have, as shown on Schedule 18.3 – S/P/St. Mr. Rumer allocated the
138 small mains adjustment between base capacity and maximum demand (extra
139 capacity) costs according to relative cost of service. Since small mains are
140 part of total mains – large, medium, and small – the small mains adjustment
141 should be allocated between base water and extra capacity according to the
142 percentages of mains considered to be base water and extra capacity. I have

143 allocated the small mains adjustment according to the percentages shown for
144 allocation factor 12, shown on Schedule 18.1 – S/P/St., page 4.

145 Q. Do you agree with Mr. Rumer's suggestion to increase all usage blocks by the
146 same percentage (IAWC Exhibit R-6.0, page 1, line 11 through page 2, line 2),
147 rather than increasing high-usage blocks by larger percentages than small-
148 usage blocks, as you recommended in direct testimony?

149 A. No, I do not agree with Mr. Rumer's proposal, although I have reduced the 4th
150 usage block for the Southern Division despite an increase in Staff's
151 recommended revenue requirement. Industrial customers, which constitute the
152 bulk of 3rd and 4th block usage billing units, do not pay up to the level of cost of
153 service, while residential and commercial customers pay more than cost of
154 service, as shown on page 2 of Schedule 18.1 – S/P/St. Industrial customers
155 do not pay full cost of service largely because a significant amount of industrial
156 usage is billed at a discounted Competitive Services Tariff. If industrial
157 Competitive Services Tariff customers paid fourth block rates, however,
158 industrial customers would still pay less than cost of service, though revenue
159 recovery would be approximately 96 percent of cost of service rather than
160 approximately 85 percent.

161 It is not clear how a straight-line percentage increase will affect potential loss
162 of customers because the increase proposed by Mr. Rumer is fairly significant
163 at 16.5 percent. My proposed restructuring of the 2nd, 3rd, and 4th usage

164 blocks will shift some of the costs paid by undiscounted industrial Metered
165 General Service customers to commercial customers, and to a lesser extent,
166 residential customers. Part of the reasoning for allowing a discounted
167 Competitive Service Tariff is to encourage large customers with potential
168 alternative service options to remain with the Illinois-American system so that
169 remaining customers will not have to pay more as a result of the loss of a
170 significant customer. Spreading part of the loss of revenues from Competitive
171 Service Tariff customers to customer groups other than industrial is therefore
172 appropriate.

173 Q. Have you updated the Competitive Service Tariff applicable to certain
174 Industrial and Municipal customers?

175 A. Yes, I have. The rates shown in my rates summary for customers served under
176 the Competitive Service Tariff are the rates effective on January 1, 2003. The
177 rates are revised annually depending for the most part upon the change in the
178 rate that those customers would have paid the City of St. Louis, as described
179 in the tariff. The revised rates are somewhat higher than the rates that I
180 estimated in direct testimony, with the result that other customers pay
181 somewhat less because of the increase in revenues from Competitive Service
182 Tariff customers.

O'Fallon Testimony

183 Q. Do you agree with the new wholesale rate suggested by City of O'Fallon
184 witness King?

185 A. No, I do not. The wholesale rate developed by Mr. King is based upon a
186 reduced cost of service for Other Water Utilities, otherwise identified as Sales
187 for Resale (O'Fallon Exhibit 1.6, page 11 of 17). Mr. King reduces the Sales
188 for Resale cost of service by reallocating costs from the Sales for Resale
189 customer class to Residential, Commercial, Industrial, Large Industrial, Other
190 Public Authorities, and Fire Protection customer classes (Id., pages 11 and
191 15). In addition, Mr. King does not allocate any Maximum Hour costs to the
192 Sales for Resale class.

193 Q. Did Mr. King prepare a cost of service study?

194 A. Yes, although the effect upon the rates of other classes of his reallocating costs
195 from the Sales for Resale class to other classes is not shown (O'Fallon Exhibit
196 1.6, pages 1 and 2). Revenue recoveries from rates do not show his Sales for
197 Resale rate, and instead show rates currently in effect and rates as proposed
198 by the Company for the Southern Division only. By excluding the Peoria
199 District from his cost of service study, the cost of service study and rates
200 presented in Mr. King's testimony are not developed according to STP
201 currently in effect for the Southern Division and the Peoria District. Mr. King's

202 cost of service study is largely irrelevant, therefore, to current rates and to rates
203 under review in this docket.

204 Q. What is the basis for Mr. King's reallocation of costs from the Sales for Resale
205 class to other customers?

206 A. There are three general reasons for Mr. King's reallocation of costs from the
207 Sales for Resale class to other customers. The first is his belief that the City of
208 O'Fallon ("City") imposes no Maximum Hour demand costs. The second is
209 that the City does its own billing and metering and therefore imposes a
210 minimal level of billing and metering costs. The third is that the City owns its
211 own distribution system and therefore imposes no small and medium-sized
212 mains costs.

213 Q. Has the City demonstrated that it imposes no Maximum Hour demand costs?

214 A. No, it has not. The City, in replies to Illinois-American data requests, indicated
215 that it does not have information concerning its Maximum Hour demand, nor
216 has the City presented any Company-provided information concerning its
217 Maximum Hour demand. Without that information, it cannot be determined
218 whether the City's demand affects Maximum Hour demand and related costs.

219 Q. Do the references of City witnesses Mr. King and Mr. Rich to City-operated
220 storage tanks equivalent to nearly an average day of demand affect demand
221 fluctuations in the City's water deliveries from Illinois-American?

222 A. Without demand readings at the City's connection to Illinois-American mains, it
223 cannot be determined what effect the storage tanks have upon the City's
224 demand. It seems reasonable to assume that storage tanks might have some
225 effect upon demand, but there is no data to support that assumption or when
226 the effect, if any, occurs.

227 Q. What is the percentage of reduction in cost of service for the Sales for Resale
228 class proposed by Mr. King?

229 A. Mr. King proposes a 42 percent reduction in the Sales for Resale cost of
230 service through his reallocation of what he terms "retail costs" (O'Fallon Exhibit
231 1.6, page 11, "At Proposed Rates" section). Mr. King's 42 percent reduction
232 applies to his Sales for Resale cost of service that does not include any, or
233 zero, Maximum Hour demand costs.

234 Q. Does a 42 percent reduction in Sales for Resale cost of service appear
235 reasonable?

236 A. No. A 42 percent reduction in Sales for Resale cost of service appears to be
237 excessive, especially when considering that Mr. King allocates zero Maximum
238 Hour demand costs to Sales for Resale prior to the application of his
239 reallocation of retail costs. Staff's small mains adjustment is based upon the
240 small mains percentage of account number 331 (ICC Staff Exhibit 18.0,
241 Schedule 18.1 – S/P/St., pages 5 and 6). Small mains represent
242 approximately 74.7 percent of account number 331 (\$77,774,711 divided by

243 \$104,134,517). Staff's small mains expenses total \$13.8 million, of which 19.4
244 percent or \$2.67 million was reallocated from the Other Water Utilities
245 customer class to other rate classes. If Mr. King's percentage of large mains
246 is correct at 12.87 percent, medium mains total 10.13 percent (1 minus 77
247 percent small mains minus 12.87 percent large mains) of total mains expense.
248 10.13 equals 13.2 percent of 77. 13.2 percent of the \$13.8 million small mains
249 expense equals \$1.8 million in medium mains expense. Reallocating 19.4
250 percent of total medium mains costs from the Other Water Utilities customer
251 class to other customer classes means that the Other Water Utilities customer
252 class costs would be reduced by only another \$351,994, not another
253 \$1,672,598 as calculated by Mr. King (\$4,270,583 Reallocation of Retail
254 Costs by Mr. King minus \$2,597,985 Staff Small Mains adjustment to Other
255 Water Utilities). In addition, Mr. King's assumption that Other Water Utilities or
256 Sales for Resale customers should not be allocated medium mains costs
257 under the theory that those customers do not use any medium mains is
258 unproven.

259 Q. What are the amounts of billing, meters, and services costs allocated to the
260 Other Water Utilities customer class by Staff's COSS?

261 A. Staff's COSS allocates 3 one-hundredths of one percent of billing costs, 1.54
262 percent of meters costs, and 16 one-hundredths of one percent of services
263 costs to the Other Water Utilities customer class, which total \$75,734 out of a
264 net total of \$10,335,658 cost of service for the class (ICC Staff Exhibit 18.0,

265 Schedule 18.1 – S/P/St., page 12). Combined, those cost categories total
266 only 7-tenths of one percent of total cost of service for Other Water Utilities.
267 This indicates that Other Water Utilities customers do not pay a significant
268 amount in billing, metering, or services costs through rates. Even if those
269 costs were to be eliminated for Other Water Utilities, \$75,734 is insignificant
270 when considering the amount that Other Water Utilities would be charged
271 under Staff's rates. With a cost of service of \$10,335,658, Other Water
272 Utilities would pay \$8,836,763 through Staff's designed rates described in
273 direct testimony (ICC Staff Exhibit 8.0, Schedule 8.1 – S & P, page 2), a
274 difference of \$1,498,895 and \$1,423,161 less than if cost of service was
275 reduced by \$75,734.

276 Q. Have you reviewed documentation of City of O'Fallon witness Dean Rich's
277 discussion of the viability of the City discontinuing service from Illinois-
278 American and receiving water from the City of St. Louis?

279 A. Yes, I reviewed the City's replies to Illinois-American data requests. An
280 engineering study has been completed for the City that addresses the
281 estimated costs to construct a 24-inch main from the City of St. Louis to the
282 City of O'Fallon. The City also provided some calculations comparing the
283 financing of constructing the main to estimated future increases in Illinois-
284 American rates.

285 Q. Would it be a viable option for the City of O'Fallon to construct a main from the
286 City of St. Louis and obtain water from St. Louis?

287 A. It appears that with continued assumed increases of 4.5% by Illinois-American
288 compared to 3% increases from St. Louis, constructing the main from St.
289 Louis is approaching viability. However, some of the City's assumptions
290 appear to be questionable. The City assumes only a 3 percent annual
291 increase in St. Louis rates over the next 20 years, but recent history indicates
292 that St. Louis has increased its wholesale rates by an average of 4.46 percent
293 since 1998 (Illinois-American reply to Staff data request ML-23). Without a
294 long-term contract with St. Louis, it is uncertain whether the St. Louis rate will
295 remain favorable. O'Fallon errs in projecting only a 15 percent increase in
296 debt service payments between its most favorable and least favorable
297 assumptions from \$14 million to \$20 million, which is a difference of 43
298 percent, not 15 percent. The City's most optimistic estimate of constructing
299 the main, at \$14 million assuming that its debt issue would fund 100 percent of
300 the construction costs, is 15.7 percent less than its engineering study's most
301 optimistic estimate of \$16.6 million. Its least favorable estimate of \$20 million
302 is 7.4 percent less than its engineering study's first estimate of \$21.6 million.
303 Given differences in the assumed cost of water supplied by St. Louis, the cost
304 of water supplied by Illinois-American, the cost of constructing the main, the
305 interest rate to be paid for any debt to fund the construction of the main, and
306 the annual increase in sales, the results of the City's analysis of the costs of

307 constructing a main from St. Louis to the City of O'Fallon would change, but the
308 project appears to be close to beneficial for the City of O'Fallon.

309 Q. Would the City of O'Fallon qualify for another Illinois-American rate that might
310 reduce the cost of water supplied by Illinois-American?

311 A. Yes, as discussed by Illinois-American witness Ronald D. Stafford (IAWC
312 Exhibit R-4.0, page 49, line 3 through page 50, line 13), the City's water usage
313 would qualify for the Metered Large User Water Service if it signs a 5-year
314 contract with the Company and with the installation of a demand meter on its
315 service lines from the Company.

316 Q. What would be the effect of the City of O'Fallon being served under the
317 Metered Large User Water Service rate?

318 A. As shown on Schedule 18.4 – S/P/St., under my proposed rates in this rebuttal
319 testimony, the City would experience an increase of approximately 20 percent
320 if it remained under the Metered General Water Service rate. Assuming the
321 1.2 demand factor built into the Metered Large User Water Service rate, the
322 City would experience an increase of 4.5 percent. Given the City's discussion
323 of the reduced effect upon demand from the City's storage capacity, the City
324 could experience a rate decrease if its demand factor is less than 1.2 because
325 the Metered Large User Water Service rate has an assumed demand factor of
326 1.2. If the City's demand factor is greater than 1.2, its usage charges would

327 increase, depending upon the demand factor, up to the amount the City would
328 pay under the Metered General Water Service rate.

329 Q. Does this conclude your rebuttal testimony?

330 A. Yes.

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Revenues at Present and Proposed Rates"

ITEM	RESIDENTIAL		COMMERCIAL		INDUSTRIAL		PUBLIC AUTH.		LARGE INDUST.		OTHER WATER UTIL.		PUB. FIRE		TOTAL	
	ADJUST.	BILL AMT.	ADJUST.	BILL AMT.	ADJUST.	BILL AMT.	ADJUST.	BILL AMT.	ADJUST.	BILL AMT.	ADJUST.	BILL AMT.	ADJUST.	BILL AMT.	ADJUST.	BILL AMT.
USAGE CHARGE REVENUES	Present	22,917,282	0	9,769,049	0	4,506,949	0	2,303,665	0	1,879,256	0	0	0	0	0	0
	Proposed	28,270,532	0	11,972,243	0	5,287,976	0	2,824,421	0	2,058,545	0	0	0	0	0	0
OTHER ADJUSTMENTS	Present	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Proposed	26,737,893	0	11,571,968	0	5,445,022	0	2,781,925	0	2,106,788	0	0	0	0	0	0
RECONSTRUCTION	Present	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Proposed	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL METERED REVENUES	Present	40,686,883	0	12,805,023	0	4,908,226	0	2,823,210	0	1,740,233	0	0	0	0	0	0
	Proposed	44,896,801	0	14,743,949	0	5,761,112	0	3,068,671	0	2,167,766	0	0	0	0	0	0
PVT. FIRE PROTECT. RATES, MONTHLY	Size Connection	Less than 3"	4"	6"	8"	10"	12"	16"	20"	24"	36"	48"	60"	72"	96"	120"
	Present	5.00	6.00	8.00	14.00	25.00	41.00	64.00	130.00	159.37	171.16	14.00	14.00	17.16	20.00	20.00
	Proposed	5.13	7.35	9.81	17.16	30.05	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00
Per Cost of Service Study	Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25	78.45	159.37	171.16	14.97	14.97	17.16	20.00	20.00	20.00	20.00
Shift	4.00	5.00	9.00	20.00	30.00	50.25										

DEMAND FACTORS			
Customer Class	Max Day	Max Hour	
Residential	2.10	3.00	(1)
Commercial	1.75	2.10	(1)
Industrial	1.65	2.00	(1)
Public Authority	1.75	2.10	(1)
Large Industrial	1.33	1.48	(1)
Other Water Utilities	1.65	2.00	(1)
Fire Protection	1.98	15.84	
Gallons Per Minute	11,000		(1)
Hours of Protection	3		

MGD PUMPAGE		
Average Daily Rate	81.504	(2)
Max. Daily Rate	117.089	(2)
Max. Hourly Pumpage Rate	131.342	(2)
Max. Hourly Consumption Rate	134.450	(2)
(Pumpage plus Storage Drawdown)		

(1) Source: Docket No. 00-0340
ICC Staff Exhibit 9.0
Schedule 9.1-S&P Revised

(2) Source: Revised Reply to Staff data request ML-3
Highest reading from the years 1997 through 2001

Illinois-American Water Company
Docket No. 02-0690
ICC Staff Exhibit 18.0
Schedule 18.1 - S/P/St. (Revised)

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Allocation to Cost Functions"

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Description	Alloc. Code	Base Cost Percent	Extra Capacity		Customer Costs			Fire Service Percent
			Max Day Percent	Max Hour Percent	Billing Percent	Meter Percent	Services Percent	
Base Cost	1	100.00%						
Base-Max Day	2	69.61%	30.39%					
Base-Max Hr.	3	60.62%		39.38%				
Max Hour	4			100.00%				
Commercial	5				100.00%			
Meters	6					100.00%		
Services	7						100.00%	
Hydrants	8							100.00%
Plant	9	51.51%	22.28%	8.25%	0.00%	5.59%	9.51%	2.85%
Adm. and Gen.	10	37.11%	16.20%	28.03%	13.24%	1.08%	2.70%	1.65%
Labor B'fits	11	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Base/Max Day/ Max Hour	12	60.62%	26.47%	12.91%				

Refer to last page for brief allocation code explanations

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Plant in Service Allocation"

Act	No.	Account	Utility	Cost	Depreciation	Reserve	Net	Base	Extra Capacity	Max Hour	Billing	Customer Costs	Services	Fire	Alloc
		INTANGIBLE PLANT		0											
		301 Organization		0	78,840	78,840	78,840	78,840							
		302 Franchises		0	7,175	7,175	7,175	7,175							
		309 Miscellaneous		0	1,690,238	1,690,238	1,690,238	1,690,238							
		SOURCE OF SUPPLY PLANT		0											
		303 Land and land rights		0	401,823	401,823	292,481	109,142							
		304 Structures and improvements		0	804,296	6,310,516	4,595,624	1,714,892							
		305 Collecting reservoirs		0	126,054	682,942	1,827,781	545,007							
		306 Intakes		0	102,709	309,955	215,755	94,200							
		307 Wells		0	0	0	0	0							
		308 Infiltration Galleries		0	1,378,235	2,467,173	1,717,364	749,809							
		309 Supply mains		0	0	0	0	0							
		309 Other plant		0	0	0	0	0							
		PUMPING PLANT		0											
		303 Land and land rights		0	650,642	394,421	172,206	84,015							
		304 Structures and improvements		0	2,476,923	7,936,797	4,811,311	2,100,639							
		310 Power Generation Equip.		0	622,676	1,274,975	772,894	337,449							
		310 Other power production		0	12,947	(12,947)	(3,427)	164,633							
		311 Other pumping		0	12,518	40,824	24,748	10,805							
		311 Electrical Pumping		0	6,169,775	17,447,657	10,576,823	4,617,887							
		311 Diesel Pumping		0	450,722	500,085	303,153	132,358							
		339 Other Plant & Misc. Equip.		0	0	0	0	0							
		WATER TREATMENT PLANT		0											
		303 Land and land rights		0	(21,885)	1,357,628	945,026	412,602							
		304 Structures and improvements		0	6,546,713	32,463,056	22,597,075	9,865,981							
		320 Water treatment		0	14,960,992	31,996,401	22,272,243	9,724,158							
		339 Other Plant & Misc. Equip.		0	0	0	0	0							
		TRANSMISSION/DISTRIBUTION		0											
		303 Land and land rights		0	1,568,533	638,165	278,625	180,486							
		304 Structures and improvements		0	5,455	2,219	969	628							
		330 Det. reservoirs and standpipes		0	2,384,912	4,407,015	27,561,374	4,407,015							
		331 Mains		0	35,613,621	104,134,517	63,126,662	13,446,481							
		333 Services		0	16,772,359	24,691,369	27,561,374	13,446,481							
		334 Meters		0	2,033,369	7,272,646	7,272,646	7,272,646							
		334 Meter installations		0	7,581,158	7,244,110	7,244,110	7,244,110							
		335 Hydrants		0	6,144,244	7,408,196	7,408,196	7,408,196							
		336 Backflow Prevention Devices		0	0	0	0	0							
		339 Other Plant & Misc. Equip.		0	0	0	0	0							

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Plant in Service Allocation"

Act No.	Account	Utility Cost	Depreciation Reserve	Net Cost	Base Cost	Extra Capacity		Customer Costs			Fire Service	Alloc. Code
						Max Day	Max Hour	Billing	Meter	Services		
GENERAL PLANT												
	0											
303	Land and land rights	0	0	464,621	239,346	103,528	38,320	0	25,980	44,189	13,258	9
304	Structures and improvements	0	3,198,201	4,107,949	2,116,176	915,346	338,807	0	229,702	390,697	117,221	9
340	Office furniture	0	3,887,367	2,634,466	1,357,123	587,020	217,280	0	147,310	250,557	75,175	9
341	Transportation	0	2,742,634	1,544,135	795,448	344,069	127,354	0	86,342	146,859	44,062	9
342	Stores	0	63,305	58,459	30,115	13,026	4,821	0	3,269	5,560	1,668	9
343	Tools etc	0	1,489,118	1,167,072	601,208	260,051	96,255	0	65,258	110,997	33,303	9
344	Laboratory	0	239,589	575,909	296,675	128,326	47,499	0	32,203	54,773	16,434	9
345	Power operated	0	489,293	1,193,780	614,966	266,002	98,458	0	66,752	113,537	34,065	9
346	Communications	0	996,533	39,204	20,196	8,736	3,233	0	2,192	3,729	1,119	9
347	Miscellaneous	0	296,444	303,322	156,254	67,587	25,017	0	16,961	28,848	8,655	9
348	Other Tangible Plant	0	0	787,728	405,792	175,524	64,969	0	44,047	74,919	22,478	9
399	RECONCILIATION	0	0	0	0	0	0	0	0	0	0	9
TOTAL PLANT IN SERVICE		0	119,045,661	276,901,912	143,504,965	61,304,372	22,691,238	0	15,384,036	26,166,514	7,850,787	
Allocation Code 9		Cross check	=	276,901,912	51.51%	22.28%	8.25%	0.00%	5.59%	9.51%	2.85%	
Calculation												
				Total	Base Cost	Max Day	Max Hour					
Small Main Plant in Service		ML-2		77,774,711	47,147,267	20,584,701	10,042,743					
Small Main CIAC		ML-2		23,302,927	14,126,305	6,167,606	3,009,015					
Total Plant CIAC		ML-2		26,123,201	15,835,964	6,914,051	3,373,186					
Allocated Total Plant less General					136,871,668	58,435,157	21,629,225					
% Small Main to Allocated Total Plant					34.45%	35.23%	46.43%					
Small Main with General Plant Allocated					49,432,195	21,595,427	10,535,850					
Small Main with General Plant Allocated less CIAC					35,305,889	15,427,821	7,526,834					
Allocated Total Plant less CIAC					127,669,001	54,390,321	19,318,052					

Illinois-American Water Company
Docket No. 02-0690
ICC Staff Exhibit 18.0
Schedule 18.1 - S/P/St. (Revised)

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Revenue Requirement Allocation"

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Act. No.	Account	Utility Cost	Staff Adjust.	Net Cost	Base Cost	Extra Capacity		Customer Costs			Fire Service	Alloc. Code
		ML-1				Max Day	Max Hour	Billing	Meter	Services		
	SOURCE OF SUPPLY	5,856,109										
601	Salaries and Wages	3,145,635	0	3,145,635	2,189,632	956,003						2
610	Purchased water	0	0	0	0							1
615	Purchased Power	2,710,474	0	2,710,474	2,710,474							1
616	Fuel for Power Prod.	0	0	0	0							1
618	Chemicals	0	0	0	0							1
	SOURCE OF SUPPLY	1,569,378										
620	Materials and Supplies	360,733	0	360,733	251,101	109,632						2
631	Contractual Serv.	0	0	0	0	0						2
635	Contractual Serv. - Testing	0	0	0	0	0						2
636	Contractual Serv. - Other	0	0	0	0	0						2
641	Rental of Property	260	0	260	181	79						2
642	Rental of Equipment	8,758	0	8,758	6,096	2,662						2
650	Transportation Exp.	0	0	0	0	0						2
658	Insurance	0	0	0	0	0						2
668	Water Res. Conserv. Exp.	0	0	0	0	0						2
675	Misc. Expenses	1,199,627	0	1,199,627	835,043	364,584						2
	PUMPING EXPENSES	277,978										
601	Salaries and Wages	277,978	0	277,978	168,511	73,573	35,894					12
615	Purchased Power	0	0	0	0							1
616	Fuel for power production	0	0	0	0							1
620	Materials and Supplies	0	0	0	0	0	0					12
631	Contractual Serv.	0	0	0	0	0	0					12
635	Contractual Serv. - Testing	0	0	0	0	0	0					12
636	Contractual Serv. - Other	0	0	0	0	0	0					12
641	Rental of Property	0	0	0	0	0	0					12
	PUMPING EXPENSES	34,578										
642	Rental of Equipment	0	0	0	0	0	0					12
650	Transportation Expenses	0	0	0	0	0	0					12
658	Insurance	0	0	0	0	0	0					12
675	Misc. Expenses	34,578	0	34,578	20,981	9,152	4,465					12
	WATER TREATMENT EXPENSE	3,348,001										
601	Salaries and Wages	334,685	0	334,685	232,970	101,715						2
615	Purchased Power	0	0	0	0	0						2
616	Fuel for power production	0	0	0	0	0						2
618	Chemicals	2,899,598	0	2,899,598	2,899,598							1
620	Materials and Supplies	113,718	0	113,718	79,157	34,561						2

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Revenue Requirement Allocation"

Act. No.	Account	Utility Cost	Staff Adjst.	Net Cost	Base Cost	Extra Capacity		Customer Costs			Fire Service	Alloc. Code
						Max Day	Max Hour	Billing	Meter	Services		
	WATER TREATMENT EXPENSE	1,515,771										
631	Contractual Serv.	907,318	0	907,318	631,571	275,747						2
635	Contractual Serv. - Testing	272,497	0	272,497	189,681	82,816						2
638	Contractual Serv. - Other	0	0	0	0	0						2
841	Rental of Property	0	0	0	0	0						2
642	Rental of Equipment	9,512	0	9,512	6,621	2,891						2
650	Transportation Exp.	0	0	0	0	0						2
658	Insurance	0	0	0	0	0						2
675	Misc. Expenses	326,444	0	326,444	227,233	99,211						2
	TRANSMISSION/DISTRIBUTION	7,205,107										
601	Salaries and Wages	6,078,813	0	6,078,813	1,366,964	596,822	3,443,063	0	133,392	334,552	204,019	13
661	Storage Facilities	0	0	0			0					4
662	Mains	932,735	0	932,735	565,427	246,868	120,440					12
663	Meters	55,176	0	55,176					55,176			6
664	Services	138,383	0	138,383						138,383		7
615	Purchased Power	0	0	0	0							1
616	Fuel for Power Prod.	0	0	0	0							1
	TRANSMISSION/DISTRIBUTION	1,911,636										
618	Chemicals	0	0	0	0							1
620	Materials and Supplies	71,539	0	71,539	16,087	7,024	40,520	0	1,570	3,937	2,401	13
672	Dist. reservoirs and standpipes	1,303,738	0	1,303,738			1,303,738					4
631	Contractual Serv.	0	0	0	0	0	0	0	0	0	0	13
635	Contractual Serv. - Testing	0	0	0	0							1
636	Contractual Serv. - Other	0	0	0	0	0	0	0	0	0	0	13
641	Rental of Property	20,321	0	20,321	4,570	1,995	11,510	0	446	1,118	682	13
677	Hydrants	84,390	0	84,390							84,390	8
642	Rental of Equipment	17,520	0	17,520	3,840	1,720	9,923	0	384	964	588	13
650	Transportation Exp.	0	0	0	0	0	0					12
658	Insurance	0	0	0	0	0	0					12
675	Misc. Expenses	414,128	0	414,128	93,126	40,659	234,564	0	9,088	22,792	13,889	13
	CUSTOMER ACCOUNTS EXPENSE	1,687,856										
601	Salaries and Wages	281,602	0	281,602				281,602				5
615	Purchased Power	0	0	0				0				5
616	Fuel for Power Prod.	0	0	0				0				5
670	Bad Debt Expense	594,580	(40,197)	554,383	205,704	89,811	155,397	73,377	5,974	14,982	9,137	10
620	Materials and Supplies	811,674	0	811,674				811,674				5
	CUSTOMER ACCOUNTS EXPENSE	1,364,071										
631	Contractual Serv.	1,364,071	0	1,364,071				1,364,071				5
635	Contractual Serv. - Testing	0	0	0				0				5
636	Contractual Serv. - Other	0	0	0				0				5
641	Meter Reading	0	0	0				0				5
642	Rental of Equipment	0	0	0				0				5
650	Transportation Exp.	0	0	0				0				5
658	Insurance	0	0	0				0				5
675	Misc. Expenses	0	0	0				0				5

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Act No.	Account	Utility Cost	Staff Adjust.	Net Cost	Base Cost	Extra Capacity Max Day	Max Hour	Customer Costs Billing	Meter	Services	Fire Service	Alloc. Code
	ADMINISTRATIVE AND GENERAL	18,455,917										
601	Salaries and Wages-employees	1,888,327	0	1,888,327	700,666	305,914	529,310	249,936	20,348	51,033	31,121	10
603	Salaries and Wages-officers	281,974	0	281,974	104,627	45,681	79,039	37,322	3,038	7,620	4,647	10
604	Pensions and benefits *	5,563,343	0	5,563,343	2,064,285	901,276	1,559,439	736,356	59,948	150,351	91,888	10
631-636	Outside services	2,493,571	0	2,493,571	925,242	403,965	696,963	330,045	26,869	67,389	41,096	10
615	Purchased Power	0	0	0	0	0	0	0	0	0	0	10
616	Fuel for Power Prod.	0	0	0	0	0	0	0	0	0	0	10
656-659	Insurance	1,511,540	0	1,511,540	560,859	244,873	423,694	206,065	16,288	40,850	24,911	10
641-642	Rents	195,675	0	195,675	72,605	31,700	54,849	25,899	2,108	5,288	3,225	10
650	Transportation Exp.	515,862	0	515,662	197,337	83,539	144,543	68,252	5,557	13,936	8,499	10
620	Materials and Supplies	158,461	0	158,461	58,797	25,671	44,418	20,974	1,707	4,282	2,612	10
660	Advertising	77,997	0	77,997	28,941	12,636	21,863	10,324	840	2,108	1,285	10
666-667	Regulatory Expense	68,893	0	68,893	25,563	11,161	19,311	9,119	742	1,862	1,135	10
675	Misc. Expenses	5,700,474	0	5,700,474	2,115,167	923,491	1,597,878	754,507	61,425	154,057	93,948	10
	PRO FORMA ADJUSTMENTS											
	Labor *	0	(157,873)	(157,873)	(58,579)	(25,576)	(44,253)	(20,896)	(1,701)	(4,267)	(2,602)	10
	Fuel and Power	0	0	0	0	0	0	0	0	0	0	1
	Chemicals	0	(361,944)	(361,944)	(361,944)	0	0	0	0	0	0	1
	Waste Disposal	0	0	0	0	0	0	0	0	0	0	2
	Management Fees	0	(108,808)	(108,808)	(65,838)	(28,745)	(14,024)	0	0	0	0	12
	Group Insurance *	0	0	0	0	0	0	0	0	0	0	10
	Pensions *	0	0	0	0	0	0	0	0	0	0	10
	Regulatory Expenses	0	0	0	0	0	0	0	0	0	0	10
	Insurance other *	0	0	0	0	0	0	0	0	0	0	10
	Customer Accounting	0	0	0	0	0	0	0	0	0	0	5
	Rents	0	(33,292)	(33,292)	(12,353)	(5,393)	(9,332)	(4,406)	(359)	(900)	(549)	10
	General Office Exp	0	16,521	16,521	6,130	2,676	4,631	2,187	178	446	272	10
	Maint-other	0	(2,049,720)	(2,049,720)	(760,551)	(332,050)	(574,549)	(271,298)	(22,087)	(55,394)	(33,781)	10
	Miscellaneous	0	(22,413)	(22,413)	(8,316)	(3,831)	(6,283)	(2,967)	(242)	(808)	(369)	10
40866317	SUBTOTAL OPER. & MAIN.	43,226,402	(2,757,526)	40,468,876	18,291,288	5,694,700	9,889,013	4,676,143	380,691	954,785	582,256	
	RECONCILIATION	0	0	0	0	0	0	0	0	0	0	
	TOTAL OPERATION & MAINTENANCE	43,226,402	(2,757,526)	40,468,876	18,291,288	5,694,700	9,889,013	4,676,143	380,691	954,785	582,256	
	Depreciation	16,141,043	(1,262,021)	14,879,022	5,838,779	2,530,577	717,253	0	2,062,875	3,110,842	618,696	Dep Sch
	Other Taxes	5,236,158	0	5,236,158	2,697,364	1,166,737	431,857	0	292,787	497,998	149,415	

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ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Revenue Requirement Allocation"

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	Net Cost	Base Cost	Max Day	Max Hour	
Acct. 662 allocated to small mains	696,630	422,299	184,378	89,953	
Small mains with overhead	2,525,827	1,531,164	668,513	328,150	
Total Expense less Adm. & General and less Pro Forma Adjustments		12,704,650	3,097,524	5,359,515	
% Small Mains to Total Expense		12.05%	21.58%	8.09%	
Small Mains with Adm. & General and Pro Forma Adjustments* Allocated		2,248,086	1,229,040	601,790	
Depreciation		1,814,870	717,798	279,461	
Other Taxes		745,935	330,945	168,263	
Income Taxes		931,224	413,151	210,059	Total
Utility Operating Income		2,562,611	1,136,940	578,057	
TOTAL REVENUES ALLOCATED TO SMALL MAINS		8,102,527	3,827,875	1,837,630	13,768,031

* excluding Fuel & Power, Chemical and Waste Disposal

Revenue Requirement from Small Mains	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	PUBLIC AUTH.	LARGE INDUST.			OTHER WTR. UTIL	Total
Remove From	5,576,087	2,489,168	1,670,294	668,374	589,102	0	0	2,775,005	13,768,031
Reallocate to Blocks	8,779,333	3,755,211	427,039	711,795	0	0	0	94,653	13,768,031
Net Adjustment	3,203,246	1,268,043	(1,243,255)	43,421	(589,102)	0	0	(2,680,352)	0

Customer Class	Annual Consumption			% of Ave.	Max Day		% of Ave.	% of Ave.	Max Hour		% of Ave.	% of Ave.	Commercial		Equivalent Meters		Equivalent Services	
	Usage	MGD	%		Amt. MGD	Excess MGD			Amt. MGD	Excess MGD			Monthly Bills	%	Monthly No.	%	Monthly No.	%
Residential	10,689,068	21.905	34.45%	210%	46.001	24.096	45.91%	300%	65.716	43.811	43.94%		1,546,686	88.75%	1,567,140	78.31%	1,551,419	87.11%
Commercial	5,817,725	11.922	18.75%	175%	20.864	8.942	17.04%	210%	25.037	13.115	13.15%		160,431	9.21%	318,255	15.90%	194,553	10.92%
Industrial	4,093,237	8.388	13.19%	165%	13.841	5.452	10.39%	200%	16.777	8.388	8.41%		4,926	0.28%	33,815	1.69%	9,832	0.55%
Other Public Auth.	1,562,136	3.201	5.04%	175%	5.602	2.401	4.57%	210%	6.723	3.521	3.53%		12,864	0.74%	60,175	3.01%	22,131	1.24%
Large Industrial	1,754,342	3.595	5.65%	133%	4.782	1.186	2.26%	148%	5.321	1.726	1.73%		216	0.01%	5,376	0.27%	804	0.05%
	0	0.000	0.00%	0%	0.000	0.000	0.00%	0%	0.000	0.000	0.00%		0	0.00%	0	0.00%	0	0.00%
	0	0.000	0.00%	0%	0.000	0.000	0.00%	0%	0.000	0.000	0.00%		0	0.00%	0	0.00%	0	0.00%
Other Water Utilitie	6,800,451	13.936	21.92%	165%	22.995	9.059	17.26%	200%	27.873	13.936	13.98%		600	0.03%	16,488	0.82%	2,256	0.13%
SUBTOTAL	30,716,959	62.949	99.01%		114.085	51.136	97.43%		147.446	84.497	84.74%		1,725,723	99.02%	2,001,248	100.00%	1,780,995	100.00%
Fire Prot.	307,170	0.629	0.99%		1.980	1.351	2.57%		15.840	15.211	15.26%		17,083	0.98%	---	---	---	---
TOTAL	31,024,129	63.578	100.00%		116.065	52.486	100.00%		163.286	99.707	100.00%		1,742,806	100.00%	2,001,248	100.00%	1,780,995	100.00%

Number of public fire protection bills ignored as immaterial

No services assigned to public fire protection; services considered to be part of hydrants.

No services assigned to private fire protection since customer generally pays for service line.

Fire Protection Consumption set at 1% of other consumption.

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Percent Allocation to Customer Groups"

DESCRIPTION	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	OTHER PUBLIC AUTHORITIES	LARGE INDUSTRIAL		OTHER WATER UTILITIES	FIRE PROTECTION	TOTAL
Base	34.45%	18.75%	13.19%	5.04%	5.65%	0.00%	0.00%	21.92%	100.00%
Maximum Day	45.91%	17.04%	10.39%	4.57%	2.26%	0.00%	0.00%	17.26%	100.00%
Maximum Hour	43.94%	13.15%	8.41%	3.53%	1.73%	0.00%	0.00%	13.98%	100.00%
Commercial	88.75%	9.21%	0.28%	0.74%	0.01%	0.00%	0.00%	0.03%	100.00%
Meters	78.31%	15.90%	1.69%	3.01%	0.27%	0.00%	0.00%	0.82%	100.00%
Services	87.11%	10.92%	0.55%	1.24%	0.05%	0.00%	0.00%	0.13%	100.00%
Fire Service-Hyd	---	---	---	---	---	---	---	100.00%	100.00%

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Cost Allocation to Customer Groups"

DESCRIPTION	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	OTHER PUBLIC AUTHORITIES	LARGE INDUSTRIAL		OTHER WATER UTILITIES	FIRE PROTECTION	TOTAL
Base	13,596,058	7,399,909	5,206,430	1,986,973	2,231,451	0	0	8,649,896	39,461,425
Maximum Day	6,820,555	2,531,055	1,543,361	679,622	335,827	0	0	2,564,119	14,856,814
Maximum Hour	5,738,829	1,717,906	1,098,804	461,280	226,052	0	0	1,825,539	13,060,867
Billing	4,149,931	430,454	13,217	34,516	580	0	0	1,610	4,676,143
Meters	3,216,677	653,242	69,408	123,514	11,035	0	0	33,843	4,107,719
Services	6,007,225	753,324	38,071	85,695	3,113	0	0	8,735	6,896,163
Fire Service-Hyd	---	---	---	---	---	---	---	2,050,203	2,050,203
Adjustments *	(313,978)	(107,117)	(63,300)	(26,780)	(22,304)	0	0	(103,923)	(654,077)
Small Main Adjustment	3,203,246	1,266,043	(1,243,255)	43,421	(589,192)	0	0	(2,680,352)	0
TOTAL COST OF SERVICE	42,418,543	14,644,815	6,662,737	3,388,240	2,196,651	0	0	10,299,468	84,455,257
Percent of COSS	50.23%	17.34%	7.89%	4.01%	2.60%	0.00%	0.00%	12.20%	100.00%

* for Other and for Unbilled

Special Tariff Revenues	0
Other Operating Revenues	291,909
Unbilled Revenues	362,168
Total Revenues	65,109,334

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Fire Protection Allocation"

	Equivalent Connections
FIRE PROTECTION	
Public, monthly	136,932
Private, monthly	<u>22,503</u>
Total Equiv. Connections	<u>159,435</u>
Total Fire Protection per Cost of Service Study	4,844,803
Less Billing Costs	45,836
Less Hydrant Costs	<u>2,050,203</u>
Total Non-hydrant Fire Protection Costs	<u>2,748,765</u>
Total Non-hydrant Fire Protection Costs Per Equiv. Connection, monthly	17.24
Public Fire Protection Connection Costs	2,360,798
Plus Hydrant Costs	<u>2,049,664</u>
Total Public Fire Protection Costs	<u>4,410,462</u>
Total Private Fire Protection Connection Costs	387,967
Plus Billing Costs	45,836
Plus Hydrant Costs	<u>539</u>
Total Private Fire Protection Costs	<u>434,342</u>

"Private Fire Protection Rates"

Private Fire Prot.	Ratio #	Monthly COSS Rates	Monthly Staff Rates
less than 3"	0.056	3.64	4.00
3	0.162	5.47	5.00
4	0.344	8.62	9.00
6	1.000	19.92	20.00
8	2.131	39.42	39.00
10	3.832	68.75	69.00
12	6.190	109.41	109.00
16	13.192	230.12	230.00

- ratio based on capacity

Illinois-American Water Company
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ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Public Fire Protection Surcharge"
"Single - Tier Method"

Customer	Hydrants	Total Cost	Municipal Paid	Customer Surcharge	MONTHLY BILLS				Fire Prot Bills	Equiv. Fire Prot Bills	Monthly Rates				Actual Surcharge Connections Revenues Per Hydrant
					5/8"	3/4"	1"	1 1/2"			5/8"	3/4"	1"	1 1/2"	
Total	11,411	\$ 4,410,462	\$ 129,061	\$ 4,281,401	1,625,060	23,477	28,793	23,606	1,700,936	1,850,288					4,281,355
Outside	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0
Alton	881	332,785	0	332,785	136,876	888	1,840	1,658	141,262	151,098	2.20	3.30	5.50	11.00	332,416 13.67
Godfrey	338	130,640	0	130,640	65,913	747	1,181	724	68,565	73,606	1.77	2.66	4.43	8.85	130,292 16.90
Quarry Elsieh	37	14,301	0	14,301	3,940	60	108	144	4,252	5,020	2.85	4.28	7.13	14.25	14,308 9.58
Fosterburg	5	1,933	0	1,933	873	12	48	24	957	1,131	1.71	2.57	4.28	8.55	1,934 15.95
City of Cairo	305	117,885	0	117,885	15,451	0	259	527	16,237	18,734	6.29	9.44	15.73	31.45	117,835 4.44
City of E. St. Lou	896	346,313	0	346,313	118,558	229	1,402	2,167	122,356	133,242	2.60	3.90	6.50	13.00	346,428 11.38
Village of Brookh	35	13,528	0	13,528	3,585	12	72	144	3,813	4,503	3.00	4.50	7.50	15.00	13,509 9.08
French Village	58	22,804	5,013	17,791	3,789	12	60	36	3,907	4,147	4.29	6.44	10.73	21.45	17,791 5.52
Village of Saugel	45	17,393	17,113	280	982	12	72	203	1,289	2,195	0.13	0.20	0.33	0.65	286 2.35
Cahokia-Maplew	6	2,319	510	1,809	3,777	24	72	80	3,933	4,293	0.42	0.63	1.05	2.10	1,803 54.63
Village of Alorton	31	11,982	2,634	9,348	8,032	12	109	128	8,281	8,963	1.04	1.56	2.60	5.20	9,321 22.26
Midway	48	18,552	0	18,552	9,512	0	24	36	9,572	9,752	1.90	2.85	4.75	9.50	18,529 16.62
Vlg. of Wash. Pk	85	32,853	0	32,853	21,878	12	169	122	22,181	22,929	1.43	2.15	3.58	7.15	32,789 21.75
Church Road	25	9,663	0	9,663	3,994	0	144	24	4,162	4,474	2.16	3.24	5.40	10.80	9,664 13.87
Vlg. Of Fairmt. C	90	34,786	0	34,786	9,113	12	120	191	9,436	10,386	3.35	5.03	8.38	16.75	34,794 8.74
Granite City	644	248,912	0	248,912	133,420	922	1,481	1,790	137,613	147,456	1.89	2.54	4.23	8.45	249,212 17.81
City of Venice	73	28,215	0	28,215	8,590	24	96	225	8,935	9,991	2.82	4.23	7.05	14.10	28,175 10.20
City of Madison	123	47,541	10,450	37,091	19,376	89	265	384	20,114	22,092	1.68	2.52	4.20	8.40	37,115 13.63
Eagle Pk. Assoc	7	2,706	0	2,706	2,323	0	36	0	2,359	2,413	1.12	1.68	2.80	5.60	2,703 28.08
Long Lake	82	31,694	0	31,694	22,759	267	149	108	23,293	24,082	1.32	1.98	3.30	6.60	31,788 23.67
Venice Township	5	1,933	0	1,933	1,272	0	24	0	1,296	1,332	1.45	2.18	3.63	7.25	1,932 21.60
Tri-City Port Dist	4	1,546	340	1,206	60	0	24	36	120	300	4.02	6.03	10.05	20.10	1,206 2.50
Cloverleaf East	3	1,160	255	905	2,701	0	24	60	2,785	3,061	0.30	0.45	0.75	1.50	918 77.36
City of Belleville	915	353,856	77,738	275,918	199,425	3,448	2,959	2,104	207,936	222,515	1.24	1.86	3.10	6.20	275,918 18.94
Village of Swans	269	103,971	0	103,971	40,983	700	614	683	42,960	46,963	2.21	3.32	5.53	11.05	103,795 13.31
Signal Hill	150	57,976	0	57,976	26,244	864	571	252	27,731	29,928	1.94	2.91	4.85	9.70	58,059 15.41
East Side Fire D	312	120,591	0	120,591	64,285	1,616	1,089	714	67,704	73,002	1.65	2.48	4.13	8.25	120,466 18.08
Villa Hills	49	18,939	0	18,939	9,618	338	77	36	10,069	10,498	1.80	2.70	4.50	9.00	18,896 17.12
Millstadt Rural	38	14,687	3,228	11,459	4,737	157	65	69	5,028	5,480	2.09	3.14	5.23	10.45	11,454 11.03
Northwest Fire	188	72,664	0	72,664	36,410	486	221	300	37,417	39,192	1.85	2.78	4.63	9.25	72,508 16.59
Frww.-Caseyville	19	7,344	1,614	5,730	3,908	115	36	112	4,171	4,731	1.21	1.82	3.03	6.05	5,725 18.29
Canteen Townsh	3	1,180	255	905	1,320	0	12	0	1,332	1,350	0.87	1.01	1.68	3.35	905 37.00
Smithton	3	1,160	150	1,010	348	19		0	367	377	2.68	4.02	6.70	13.40	1,009 10.19
Mitchell	4	1,546		1,546	348			12	360	408	3.79	5.89	9.48	18.95	1,546 7.50
O'Fallon Shiloh	105	40,584		40,584	6,505	967	61	84	7,597	8,428	4.82	7.23	12.05	24.10	40,623 6.03
Columbia Rural	26	10,049		10,049	2,110	36	81	0	2,227	2,367	4.25	6.38	10.63	21.25	10,058 7.14
City of Peoria	4,248	1,641,893		1,641,893	432,856	10,193	13,104	8,741	464,894	524,611	3.13	4.70	7.83	15.65	1,642,147 9.12
Vlg. Of Bartonvill	245	94,695	9,781	84,934	31,230	312	648	354	32,544	35,088	2.42	3.63	6.05	12.10	84,913 11.07

Total cost per fire protection customer based on number of Hydrants

Illinois-American Water Company
Docket No. 02-0690
ICC Staff Exhibit 18.0
Schedule 18.1 - S/P/St. (Revised)

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Public Fire Protection Surcharge"
"Single - Tier Method"

Per Hydrant Cost	Hydrants	Total Cost	Municipal Paid	Customer Surcharge	MONTHLY BILLS				Fire Prot Bills	Equiv. Fire Prot Bills	Monthly Rates				Actual Surcharge Connections Revenues Per Hydrant
					5/8"	3/4"	1"	1 1/2"			5/8"	3/4"	1"	1 1/2"	
Limestone	136	52,565		52,565	28,353	96	428	346	30,223	32,297	1.63	2.45	4.08	8.15	52,647
Tuscarora	34	13,141		13,141	1,892	36	12	0	1,740	1,776	7.40	11.10	18.50	37.00	13,142
West Peoria	72	27,829		27,829	22,414	152	142	134	22,842	23,667	1.18	1.77	2.95	5.90	27,927
Dunlap	135	52,179		52,179	11,598	245	160	136	12,139	13,046	4.00	6.00	10.00	20.00	52,182
Chillicothe	71	27,442		27,442	12,222	221	205	12	12,660	13,128	2.09	3.14	5.23	10.45	27,435
Logan-Trivoli	25	9,683		9,683	6,792	24	12	12	6,840	6,918	1.40	2.10	3.50	7.00	9,685
City of Streator	528	204,077	0	204,077	64,648	294	505	542	65,989	69,062	2.96	4.44	7.40	14.80	204,422
Leonore Fire Dis	3	1,160	0	1,160	1,513	0	0	120	1,633	2,113	0.55	0.83	1.38	2.75	1,162
Reading Twnshp	26	10,049	0	10,049	17,727	24	12	72	17,835	18,153	0.55	0.83	1.38	2.75	9,984
															57.16

Total cost per fire protection customer based on number of Hydrants

Illinois-American Water Company
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ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Equiv. Meters and Services"

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ITEM	METER RATIO	SERVICE RESIDENTAL RATIO	COMMERCIAL	INDUSTRIAL	OTHER PUB. AUTHORITIES	LARGE INDUSTRIAL			OTHER WATER UTILITIES	TOTAL
METER SIZE										
5/8" disk	1.0	1.0	1,524,894	113,709	1,294	4,868	-	-	36	1,644,801
3/4" disk	1.5	1.1	15,179	7,903	261	367	-	-	-	23,710
1" disk	2.5	1.4	5,974	20,856	805	2,143	-	-	-	29,778
1 1/2" disk	5.0	1.8	190	3,821	192	530	-	-	-	4,733
2" disk	8.0	2.5	449	13,582	1,779	4,613	72	-	144	20,639
3" disk	15.0	3.0	-	121	85	83	-	-	12	301
4" disk	25.0	4.0	-	439	474	176	96	-	240	1,425
6" disk	50.0	5.0	-	-	36	84	48	-	144	312
8" disk	80.0	6.0	-	-	-	-	-	-	24	24
4" turbine	30.0	4.0	-	-	-	-	-	-	-	-
6" turbine	62.5	5.0	-	-	-	-	-	-	-	-
8" turbine	90.0	6.0	-	-	-	-	-	-	-	-
10" turbine	145.0	6.5	-	-	-	-	-	-	-	-
Parallel			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
Equiv Meters			1,567,140	318,255	33,815	60,175	5,376	-	16,488	2,001,248
Equiv Services			1,551,419	194,553	9,832	22,131	804	-	2,256	1,780,995

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Depreciation Expense Allocation"

Act. No.	Account	Utility Depreciation	Staff Adjst.	Net Cost	Base Cost	Extra Capacity Max Day	Mar Hour	Billing	Customer Costs Meter	Services	Fire Service	Alloc. Code	
	INTANGIBLE PLANT	223,431											
301	Organization	81,795	0	91,795	91,795							1	
302	Franchises	0	0	0	0							1	
339	Miscellaneous	128,636	0	128,636	128,636							1	
	SOURCE OF SUPPLY PLANT												
303	Land and land rights	208,202	0	209,202	192,351	0	0	0	0	0	0	13	
304	Structures and improvements	13,861	0	13,861	13,861	56,951	0	0	0	0	0	13	
305	Collecting reservoirs	50,476	0	50,476	36,136	15,340	0	0	0	0	0	1	
306	Inakes	9,615	0	9,615	6,693	2,922	0	0	0	0	0	2	
307	Weirs	0	0	0	0	0	0	0	0	0	0	2	
308	Infiltration Galleries	57,354	0	57,354	38,923	17,431	0	0	0	0	0	2	
309	Supply mains	0	0	0	0	0	0	0	0	0	0	2	
339	Other plant												
	PUMPING PLANT	1,272,046											
303	Land and land rights	0	0	0	0	0	0	0	0	0	0	13	
304	Structures and improvements	478,430	0	478,430	290,026	126,626	61,778	0	0	0	0	13	
310	Power Generation Equip.	51,995	0	51,995	31,520	13,762	8,714	0	0	0	0	12	
310	Other power production	0	0	0	0	0	0	0	0	0	0	12	
311	Hydraulic Pumping	7,622	0	7,622	4,620	2,017	984	0	0	0	0	12	
311	Electrical Pumping	711,411	0	711,411	491,260	186,290	91,862	0	0	0	0	12	
311	Diesel Pumping	22,588	0	22,588	13,863	5,978	2,917	0	0	0	0	12	
339	Other Plant & Misc. Equip.		0	0	0	0	0	0	0	0	0		
	WATER TREATMENT PLANT	3,753,369											
302	Land and land rights	0	0	0	0	0	0	0	0	0	0	13	
304	Structures and improvements	1,010,365	0	1,010,365	703,301	307,064	0	0	0	0	0	13	
320	Water treatment	2,743,004	0	2,743,004	1,808,396	833,638	0	0	0	0	0	2	
339	Other Plant & Misc. Equip.		0	0	0	0	0	0	0	0	0	2	
	TRANSMISSION/DISTRIBUTION	7,167,284											
303	Land and land rights	0	0	0	0	0	0	0	0	0	0	13	
304	Structures and improvements	210	0	210	38	16	13	0	0	0	15	13	
330	Dial. reservoirs and standpipes	168,679	0	168,679			165,679	0	0	77	0	4	
331	Main	2,122,152	0	2,122,152	1,286,465	561,672	274,025	0	0	2,620,312	0	12	
333	Services	2,620,312	0	2,620,312								7	
334	Meters	1,289,642	0	1,289,642								6	
334	Meter installations	447,951	0	447,951								6	
335	Hydrants	521,138	0	521,138							521,138	8	
339	Backflow Prevention Devices	0	0	0	0	0	0	0	0	0	0	7	
339	Other Plant & Misc. Equip.		0	0	0	0	0	0	0	0	0	13	
	GENERAL PLANT	1,707,270											
303	Land and land rights	0	0	0	0	0	0	0	0	0	0	9	
304	Structures and improvements	213,921	0	213,921	80,946	36,383	10,312	0	0	0	0	9	
340	Office furniture	763,946	0	763,946	299,795	129,929	36,827	0	0	23,629	44,726	8,886	9
341	Transportation	422,796	0	422,796	165,912	71,908	20,381	0	0	105,916	31,798	31,798	9
342	Stores	5,521	0	5,521	2,167	909	266	0	0	58,618	86,366	17,581	9
343	Tools etc.	86,172	0	86,172	33,423	14,468	4,166	0	0	1,154	230	0	9
344	Laboratory	38,006	0	38,006	14,914	8,464	1,832	0	0	11,068	17,807	3,542	9
345	Power operated	112,620	0	112,620	44,194	19,154	5,029	0	0	5,269	7,948	1,580	9
346	Communications	50,338	0	50,338	19,753	8,591	2,427	0	0	15,614	23,546	4,683	9
347	Miscellaneous	14,950	0	14,950	5,867	2,543	721	0	0	6,979	10,524	2,083	9
348	Other Tangible Plant	0	0	0	0	0	0	0	0	2,073	3,126	622	9
399	RECONCILIATION	0	0	0	0	0	0	0	0	0	0	0	9
	TOTAL DEPRECIATION	14,461,908	0	14,461,908	5,909,634	2,421,975	686,471	0	0	1,971,945	2,977,337	592,145	
	Allocation Code 9 Calculation							0.00%		13.98%	20.91%	4.16%	100.00%
	Cross check =												

Docket No. 02-0690
 ICC Staff Exhibit 18.0
 Schedule 18.2- S/P/St. (Revised)

ILLINOIS-AMERICAN WATER COMPANY DOCKET NO. 00-0340
TYPICAL RESIDENTIAL BILL COMPARISON (5/8 INCH METER)

SOUTHERN DIVISION, PEORIA DISTRICT, and STREATOR DISTRICT

	CURRENT	COMPANY PROPOSED	STAFF PROPOSED	
FACILITIES CHARGE	\$11.52	\$14.12	\$11.52	
USAGE CHARGE (CCF)	\$2.1870	\$2.6809	\$2.5340	
FIRE SURCHARGE	\$2.62	\$3.21	\$3.13	City of Peoria

LINE NO.	USAGE 100'S CU. FT.	USAGE IN GALLONS	CURRENT MONTHLY BILL	COMPANY PROPOSED MONTHLY BILL	DOLLAR INCREASE	PERCENT INCREASE	STAFF PROPOSED MONTHLY BILL	DOLLAR INCREASE	PERCENT INCREASE
1	1	748	\$16.33	\$20.01	\$3.68	22.54%	\$17.18	\$0.85	5.2%
2	2	1,496	\$18.51	\$22.69	\$4.18	22.58%	\$19.72	\$1.21	6.5%
3	3	2,244	\$20.70	\$25.37	\$4.67	22.56%	\$22.25	\$1.55	7.5%
4	4	2,992	\$22.89	\$28.05	\$5.16	22.54%	\$24.79	\$1.90	8.3%
5	5	3,740	\$25.08	\$30.73	\$5.65	22.53%	\$27.32	\$2.24	8.9%
6	6	4,488	\$27.26	\$33.42	\$6.16	22.60%	\$29.85	\$2.59	9.5%
7*	7	5,236	\$29.45	\$36.10	\$6.65	22.58%	\$32.39	\$2.94	10.0%
8	8	5,984	\$31.64	\$38.78	\$7.14	22.57%	\$34.92	\$3.28	10.4%
9	9	6,732	\$33.82	\$41.46	\$7.64	22.59%	\$37.46	\$3.64	10.8%
10	10	7,480	\$36.01	\$44.14	\$8.13	22.58%	\$39.99	\$3.98	11.1%

FIRE SURCHARGE	\$1.75	\$2.15	\$2.20	City of Alton
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LINE NO.	USAGE 100'S CU. FT.	USAGE IN GALLONS	CURRENT MONTHLY BILL	COMPANY PROPOSED MONTHLY BILL	DOLLAR INCREASE	PERCENT INCREASE	STAFF PROPOSED MONTHLY BILL	DOLLAR INCREASE	PERCENT INCREASE
1	1	748	\$15.46	\$18.95	\$3.49	22.57%	\$16.25	\$0.79	5.1%
2	2	1,496	\$17.64	\$21.63	\$3.99	22.62%	\$18.79	\$1.15	6.5%
3	3	2,244	\$19.83	\$24.31	\$4.48	22.59%	\$21.32	\$1.49	7.5%
4	4	2,992	\$22.02	\$26.99	\$4.97	22.57%	\$23.86	\$1.84	8.4%
5	5	3,740	\$24.21	\$29.67	\$5.46	22.55%	\$26.39	\$2.18	9.0%
6	6	4,488	\$26.39	\$32.36	\$5.97	22.62%	\$28.92	\$2.53	9.6%
7*	7	5,236	\$28.58	\$35.04	\$6.46	22.60%	\$31.46	\$2.88	10.1%
8	8	5,984	\$30.77	\$37.72	\$6.95	22.59%	\$33.99	\$3.22	10.5%
9	9	6,732	\$32.95	\$40.40	\$7.45	22.61%	\$36.53	\$3.58	10.9%
10	10	7,480	\$35.14	\$43.08	\$7.94	22.60%	\$39.06	\$3.92	11.2%

Notes:

* Typical monthly residential usage

Docket No. 02-0690
 ICC Staff Exhibit 18.0
 Schedule 18.2- S/P/St. (Revised)

ILLINOIS-AMERICAN WATER COMPANY DOCKET NO. 00-0340
TYPICAL RESIDENTIAL BILL COMPARISON (5/8 INCH METER)

SOUTHERN DIVISION, PEORIA DISTRICT, and STREATOR DISTRICT

	CURRENT	COMPANY PROPOSED	STAFF PROPOSED	
FACILITIES CHARGE	\$9.00	\$14.12	\$11.52	
USAGE CHARGE (CCF)	\$1.9130	\$2.6809	\$2.5340	
FIRE SURCHARGE	\$4.37	\$4.37	\$2.96	City of Streator

LINE NO.	USAGE 100'S CU. FT.	USAGE IN GALLONS	CURRENT MONTHLY BILL	COMPANY PROPOSED MONTHLY BILL	DOLLAR INCREASE	PERCENT INCREASE	STAFF PROPOSED MONTHLY BILL	DOLLAR INCREASE	PERCENT INCREASE
1	1	748	\$15.28	\$21.17	\$5.89	38.55%	\$17.01	\$1.73	11.3%
2	2	1,496	\$17.20	\$23.85	\$6.65	38.66%	\$19.55	\$2.35	13.7%
3	3	2,244	\$19.11	\$26.53	\$7.42	38.83%	\$22.08	\$2.97	15.5%
4	4	2,992	\$21.02	\$29.21	\$8.19	38.96%	\$24.62	\$3.60	17.1%
5	5	3,740	\$22.94	\$31.89	\$8.95	39.01%	\$27.15	\$4.21	18.4%
6	6	4,488	\$24.85	\$34.58	\$9.73	39.15%	\$29.68	\$4.83	19.4%
7*	7	5,236	\$26.76	\$37.26	\$10.50	39.24%	\$32.22	\$5.46	20.4%
8	8	5,984	\$28.67	\$39.94	\$11.27	39.31%	\$34.75	\$6.08	21.2%
9	9	6,732	\$30.59	\$42.62	\$12.03	39.33%	\$37.29	\$6.70	21.9%
10	10	7,480	\$32.50	\$45.30	\$12.80	39.38%	\$39.82	\$7.32	22.5%

Notes:

* Typical monthly residential usage

Docket No. 02-0690
ICC Staff Exhibit 18.0
Schedule 18.3 - S/P/St. (Revised)

ILLINOIS-AMERICAN WATER COMPANY

Analysis of Metered Large Water User Rate

	<u>Cost of Service (1)</u>	<u>Small Mains Adjustment (1)</u>	<u>Net Cost of Service</u>	<u>Usage in CCF (2)</u>	<u>Load Factor</u>	<u>Rate</u>
Base Costs	\$ 2,231,451	\$ (357,116)	\$ 1,874,336	\$1,754,342	1	\$ 1.0684
Maximum Day/Hour Costs	<u>561,879</u>	<u>(231,987)</u>	<u>329,892</u>	1,754,342	0.20	<u>0.1325</u>
	<u>\$ 2,793,331</u>	<u>\$ (589,102)</u>	<u>\$ 2,204,228</u>			<u>\$ 1.2009</u>

(1) Schedule 18.1 - S/P/St., page 12.

(2) Schedule 18.1 - S/P/St., page 1.

Docket No. 02-0690
 ICC Staff Exhibit 18.0
 Schedule 18.4 - S/ P/St. (Revised)

ILLINOIS-AMERICAN WATER COMPANY

Analysis of Billings to City of O'Fallon

	<u>Current Rates</u>	<u>Staff-proposed Rates -- Rebuttal</u>	<u>Staff-proposed Large User Rate -- Rebuttal</u>	
Customer Charge	\$ 1,906	\$ 1,906	\$ 2,106	
1st Block	66	76	<u>179,267</u>	
2nd Block	905	1,066		
3rd Block	14,719	18,538		
4th Block	<u>155,492</u>	<u>196,348</u>		
	<u>\$ 173,087</u>	<u>\$ 217,934</u>	<u>\$ 181,372</u>	Average Monthly cost
	<u>\$ 1.15950</u>	<u>\$ 1.45993</u>	<u>\$ 1.21501</u>	Average Rate per CCF
		<u>0.2591</u>	<u>0.0479</u>	increase (decrease) to O'Fallon

149,277 Average test year monthly usage billing units in CCF.
 = 1,791,325 annual CCF divided by 12 months

Assumes demand factor of 1.2

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
“Explanation of Allocation Codes”

- 1 This code refers to allocations made 100 percent to Base Cost. Base Costs are costs which tend to vary with the quantity of water used and do not contain elements necessary to meet variations in demand.
- 2 This code refers to allocations divided between Base Cost and Extra Capacity Cost on the ratio of the average annual consumption per day to the maximum consumption on the Maximum Day. Extra Capacity costs are those costs associated with meeting rate of use requirements in excess of the average.
- 3 This code refers to allocations divided between Base Cost and Extra Capacity Cost on the ratio of the average annual consumption per day to the maximum hourly consumption.
- 4 This code refers to allocations made 100 percent to Extra Capacity - Maximum Hour.
- 5 This code refers to allocations made 100 percent to commercial costs associated with serving customers irrespective to the amount of water used or the maximum demand. They include meter reading, billing, customer accounting and collection expenses.
- 6 This code refers to allocations made 100 percent to maintenance and capital charges on customer meters.
- 7 This code refers to allocations made 100 percent to maintenance and capital charges on customer services.
- 8 This code refers to allocations made 100 percent to Fire Protection - Hydrants.
- 9 This code refers to allocations divided among various cost functions in the same ratio as the average allocation of plant in service as developed and shown on page 6 of 17 of this Schedule.
- 10 This code refers to allocations divided among various cost functions in the same ratio as the average allocation of operating and maintenance expenses has been allocated before administrative and general expenses and without considering fuel, power and chemical costs.
- 11 This code refers to allocations divided among various cost functions in the same ratio as the average allocation of labor costs if available or on the basis of Allocation Code 10 if not.
- 12 This code refers to allocations divided among Base Cost, Extra Capacity -Maximum Day and Extra Capacity - Maximum Hour.
- 13 This code refers to allocations divided among various cost functions in the same percentage ratio as the average of all items in that subgroup.

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Revenues at Present and Proposed Rates"

Illinois-American Water Company
Docket No. 02-0690
ICC Staff Exhibit 18.0
Schedule 18.1 - Pontiac (Revised)

ITEM	PRESENT RATES	PROPOSED RATES	STAFF		RESIDENTIAL		COMMERCIAL		INDUSTRIAL		OTHER PUBLIC AUTH.		BILL ANA.	ADJUST.	BILL ANA.	ADJUST.	TOTAL
			RATES	RATES	BILL ANA.	ADJUST.	BILL ANA.	ADJUST.	BILL ANA.	ADJUST.	BILL ANA.	ADJUST.					
CUS CHARGES, MONTHLY																	
5/8" disk	9.50	11.65	11.52	43,893	0	3,575	0	25	0	137	0	0	0	0	0	0	47,630
3/4" disk	11.50	14.10	14.65	168	0	262	0	36	0	36	0	0	0	0	0	0	502
1" disk	18.00	22.07	21.38	577	0	493	0	35	0	48	0	0	0	0	0	0	1,103
1 1/2" disk	31.00	38.00	47.46	91	0	308	0	36	0	12	0	0	0	0	0	0	447
2" disk	47.00	57.62	73.53	50	0	221	0	48	0	139	0	0	0	0	0	0	458
3" disk	86.00	106.43	141.33	0	0	9	0	0	0	0	0	0	0	0	0	9	0
4" disk	147.00	180.21	235.20	0	6	0	12	0	36	0	0	0	0	0	0	54	0
6" disk	302.00	370.22	464.66	0	0	0	12	0	12	0	0	0	0	0	0	24	0
8" disk	0.00	0.00	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10" disk	0.00	0.00	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12" disk	0.00	0.00	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3" turbine	0.00	0.00	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4" turbine	0.00	0.00	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6" turbine	0.00	0.00	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8" turbine	0.00	0.00	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10" turbine	0.00	0.00	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Remove Parallel Meters	0.00	0.00	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Bills			44,729		4,874	0	204	0	420	0	0	0	0	0	0	50,227	0
TOTAL CUS CHARGE REVENUES Present																	
			433,573		67,441	0	10,042	0	18,401	0	0	0	0	0	0	529,455	0
Proposed Staff			531,692		82,692	0	12,310	0	22,568	0	0	0	0	0	0	649,262	0
			527,371		80,114	0	15,200	0	27,965	0	0	0	0	0	0	659,650	0
USAGE CHARGES (100 cubic feet)																	
First Block	2,4500	3,0035	2,5675	312,524	0	39,512	0	1,770	0	932	0	0	0	0	0	354,736	0
Second Block	1,9460	2,3856	2,3256	35,989	0	74,947	0	21,992	0	25,901	0	0	0	0	0	157,829	0
Third Block	1,3480	2,2855	2,2500	0	0	0	53,643	0	139,445	0	0	0	0	0	0	193,088	0
Standby - first block	1,3480	1,6540	1,6540	0	0	0	12,000	0	0	0	0	0	0	0	0	12,000	0
Standby - second block	0,7540	0,9370	0,9370	0	0	0	45,191	0	0	0	0	0	0	0	0	45,191	0
Standby - demand charge	0,5330	0,6500	0,6500	0	0	0	96,360	0	0	0	0	0	0	0	0	96,360	0
Standby - excess demand charge	2,5400	3,1100	3,1100	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Standby - supplemental dem. svc.	1,2940	1,5860	1,5860	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ninth Block	0,0000	0,0000	0,0000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tenth Block	0,0000	0,0000	0,0000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Eleventh Block	0,0000	0,0000	0,0000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Twelfth Block	0,0000	0,0000	0,0000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ADJUSTMENTS																	
First Block	2,4500	3,0035	2,5675	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Second Block	1,9460	2,3856	2,3256	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Third Block	1,3480	2,2655	2,2500	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fourth Block	1,3490	1,6540	1,6540	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fifth Block	0,7540	0,9370	0,9370	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sixth Block	0,5300	0,6500	0,6500	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Seventh Block	2,5400	3,1100	3,1100	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Eighth Block	1,2940	1,5860	1,5860	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ninth Block	0,0000	0,0000	0,0000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tenth Block	0,0000	0,0000	0,0000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Eleventh Block	0,0000	0,0000	0,0000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Twelfth Block	0,0000	0,0000	0,0000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Usage			347,513		114,459	0	230,896	0	166,278	0	0	0	0	0	0	859,206	0

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Revenues at Present and Proposed Rates"

ITEM		RESIDENTIAL		COMMERCIAL		INDUSTRIAL		OTHER PUBLIC AUTH.		BILL ANA.	ADJUST.	BILL ANA.	ADJUST.	BILL ANA.	ADJUST.	OTHER WATER UTILITIES		TOTAL
		BILL ANA.	ADJUST.	BILL ANA.	ADJUST.	BILL ANA.	ADJUST.	BILL ANA.	ADJUST.							BILL ANA.	ADJUST.	
USAGE CHARGE REVENUES	Present	833,967	0	242,651	0	247,855	0	310,381	0	0	0	0	0	0	0	0	0	1,634,855
	Proposed	1,022,374	0	297,468	0	303,896	0	380,501	0	0	0	0	0	0	0	0	0	2,004,239
	Staff	884,008	0	275,744	0	300,979	0	376,380	0	0	0	0	0	0	0	0	0	1,837,111
OTHER ADJUSTMENTS	Present	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Reconciliation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Staff	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL METERED REVENUES	Present	1,267,539	0	310,092	0	257,887	0	328,782	0	0	0	0	0	0	0	0	0	2,164,310
	Proposed	1,554,066	0	380,159	0	316,206	0	403,060	0	0	0	0	0	0	0	0	0	2,653,492
	Staff	1,411,380	0	364,857	0	316,179	0	404,345	0	0	0	0	0	0	0	0	0	2,496,761

PVT. FIRE PROT RATES, MONTHLY

	Less than 3"	3"	4"	6"	8"	10"	12"	16"	PRIVATE HYDRANTS
Present	27.00	27.00	27.00	71.00	146.00	260.00	418.00	885.00	0.00
Proposed	33.10	33.10	33.10	87.04	178.98	316.73	512.43	1,064.82	0.00
Per Cost of Service Study	9.00	21.00	27.00	71.00	146.00	260.00	418.00	885.00	10.86
Staff	9.00	21.00	27.00	71.00	146.00	260.00	418.00	885.00	11.00
Units (ANNUAL)	0	0	180	269	156	12	0	0	12

NON-METERED REVENUES

	PVT. FIRE	PUBLIC FIRE		OTHER OPERATING	VARIABLE REVENUES	TOTAL NON-METERED
		MUNICIPAL	SURCHARGE			
Present	49,855	0	313,501	7,665	8,203	379,224
Proposed	61,117	0	384,148	9,392	8,896	463,553
Staff	49,987	0	313,501	9,382	9,282	382,162

TOTAL REVENUES

	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	PUB. AUTH.		NON-METERED	TOTAL
Present	1,267,539	310,092	257,887	328,782	0	379,224	2,543,534
Proposed	1,554,066	380,159	316,206	403,060	0	463,553	3,117,045
Staff	1,411,380	364,857	316,179	404,345	0	382,162	2,878,923

PER STAFF

	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	PUB. AUTH.		PUB. FIRE	PVT FIRE
Cost of Service	1,332,182	330,605	319,169	459,641	0	557,934	82,779
Percent Increase	11.3	17.7	22.6	23.0	0.0	0.0	0.3
Percent Cost of Service	105.9	110.4	99.1	88.0	0.0	56.2	60.4

DEMAND FACTORS			
Customer Class	Max Day	Max Hour	
Residential	2.25	2.75	(1)
Commercial	1.70	2.00	(1)
Industrial	1.50	1.75	(1)
Public Authority	2.00	2.50	(1)
Other Water Utilities	1.50	1.75	(1)
Fire Protection	0.63	5.04	
Gallons Per Minute	3,500		(1)
Hours of Protection	3		

MGD PUMPAGE		
Average Daily Rate	1.813	(2)
Max. Daily Rate	2.550	(2)
Max. Hourly Pumpage Rate	3.672	(2)
Max. Hourly Consumption Rate (Pumpage plus Storage Drawdown)	3.681	(2)

(1) Source: Docket No. 00-0340
ICC Staff Exhibit 9.0
Schedules 9.1-PT Revised

(2) Source: Revised Reply to Staff data request ML-3
Highest reading from the years 1997 through 2001

Illinois-American Water Company
Docket No. 02-0690
ICC Staff Exhibit 18.0
Schedule 18.1 - Pontiac (Revised)

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Allocation to Cost Functions"

page 4 of 15

Description	Alloc. Code	Base Cost Percent	Extra Capacity		Customer Costs			Fire Service Percent
			Max Day Percent	Max Hour Percent	Billing Percent	Meter Percent	Services Percent	
Base Cost	1	100.00%						
Base-Max Day	2	71.10%	28.90%					
Base-Max Hr.	3	49.25%		50.75%				
Max Hour	4			100.00%				
Commercial	5				100.00%			
Meters	6					100.00%		
Services	7						100.00%	
Hydrants	8							100.00%
Plant	9	55.71%	17.85%	11.52%	0.00%	5.01%	7.59%	2.31%
Adm. and Gen.	10	40.32%	16.39%	31.09%	7.89%	2.89%	0.93%	0.49%
Labor B'fits	11	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Base/Max Day/ Max Hour	12	49.25%	20.02%	30.73%				

Refer to last page for brief allocation code explanations

[illegible]

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Plant in Service Allocation"

Act. No.	Account	Utility Cost	Depreciation Reserve	Net Cost	Base Cost	Extra Capacity Max Day	Max Hour	Billing	Customer Costs Meter	Services	Fire Service	Alloc. Code
GENERAL PLANT		945,217										
303	Land and land rights	0	0	0	0	0	0	0	0	0	0	9
304	Structures and improvements	136,052	331	135,721	75,606	24,233	15,641	0	6,800	10,300	3,141	9
340	Office furniture	213,708	84,909	128,799	71,750	22,997	14,843	0	6,453	9,775	2,981	9
341	Transportation	166,955	50,785	116,170	64,715	20,742	13,388	0	5,820	8,816	2,689	9
342	Stores	3,877	309	3,568	1,988	637	411	0	179	271	83	9
343	Tools etc	98,825	45,669	53,156	29,612	9,491	6,126	0	2,663	4,034	1,230	9
344	Laboratory	167,331	8,645	158,686	88,400	28,333	18,287	0	7,950	12,043	3,673	9
345	Power operated	136,747	31,889	104,858	58,413	18,722	12,084	0	5,253	7,958	2,427	9
346	Communications	9,646	(1,128)	10,774	6,002	1,924	1,242	0	540	818	249	9
347	Miscellaneous	12,076	2,614	9,462	5,271	1,689	1,090	0	474	718	219	9
348	Other Tangible Plant	23,015	0	23,015	12,821	4,109	2,652	0	1,153	1,747	533	9
399	RECONCILIATION	(20,570)	4,162	(24,732)	(13,778)	(4,416)	(2,850)	0	(1,239)	(1,877)	(572)	9
TOTAL PLANT IN SERVICE		12,636,782	3,780,799	8,855,983	4,957,211	1,571,631	1,014,384	0	440,993	668,021	203,743	
Allocation Code 9		Cross check =		8,855,983	55.71%	17.85%	11.52%	0.00%	5.01%	7.59%	2.31%	
Calculation												
				Total	Base Cost	Max Day	Max Hour					
Small Main Plant in Service				0	0	0	0					
Small Main CIAC				0	0	0	0					
Total Plant CIAC				0	0	0	0					
Allocated Total Plant less General				4,556,411	1,443,170	931,471						
% Small Main to Allocated Total Plant				0.00%	0.00%	0.00%						
Small Main with General Plant Allocated				N/A	N/A	N/A						
Small Main with General Plant Allocated less CIAC				0	0	0						
Allocated Total Plant less CIAC				4,957,211	1,571,631	1,014,384						

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Revenue Requirement Allocation"

Act		Utility	Staff	Net	Base	Extra Capacity		Customer Costs			Fire	Alloc.
No.	Account	Cost	Adjust.	Cost	Cost	Max Day	Max Hour	Billing	Meter	Services	Service	Code
		ML-1										
	SOURCE OF SUPPLY	389,226										
601	Salaries and Wages	295,727	0	295,727	210,256	85,471						2
610	Purchased water	0	0	0	0							1
615	Purchased Power	93,499	0	93,499	93,499							1
616	Fuel for Power Prod.	0	0	0	0							1
618	Chemicals	0	0	0	0							1
	SOURCE OF SUPPLY	85,520										
620	Materials and Supplies	32,004	0	32,004	22,754	9,250						2
631	Contractual Serv.	0	0	0	0	0						2
635	Contractual Serv. - Testing	0	0	0	0	0						2
636	Contractual Serv. - Other	0	0	0	0	0						2
641	Rental of Property	120	0	120	85	35						2
642	Rental of Equipment	0	0	0	0	0						2
650	Transportation Exp.	0	0	0	0	0						2
658	Insurance	0	0	0	0	0						2
668	Water Res. Conserv. Exp.	0	0	0	0	0						2
675	Misc. Expenses	53,396	0	53,396	37,964	15,432						2
	PUMPING EXPENSES	4,024										
601	Salaries and Wages	4,024	0	4,024	1,982	806	1,236					12
615	Purchased Power	0	0	0	0							1
616	Fuel for power production	0	0	0	0							1
620	Materials and Supplies	0	0	0	0	0	0					12
631	Contractual Serv.	0	0	0	0	0	0					12
635	Contractual Serv. - Testing	0	0	0	0	0	0					12
636	Contractual Serv. - Other	0	0	0	0	0	0					12
641	Rental of Property	0	0	0	0	0	0					12
	PUMPING EXPENSES	6,479										
642	Rental of Equipment	0	0	0	0	0	0					12
650	Transportation Expenses	0	0	0	0	0	0					12
658	Insurance	0	0	0	0	0	0					12
675	Misc. Expenses	6,479	0	6,479	3,191	1,297	1,991					12
	WATER TREATMENT EXPENSE	55,798										
601	Salaries and Wages	6,033	0	6,033	4,289	1,744						2
615	Purchased Power	0	0	0	0	0						2
616	Fuel for power production	0	0	0	0	0						2
618	Chemicals	49,765	0	49,765	49,765							1
620	Materials and Supplies	0	0	0	0	0						2

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Revenue Requirement Allocation"

Act. No.	Account	Utility Cost	Staff Adjust.	Net Cost	Base Cost	Extra Capacity		Customer Costs			Fire Service	Alloc. Code
						Max Day	Max Hour	Billing	Meter	Services		
	WATER TREATMENT EXPENSE	19,579										
631	Contractual Serv.	0	0	0	0	0						2
635	Contractual Serv. - Testing	8,537	0	8,537	6,070	2,467						2
638	Contractual Serv. - Other	0	0	0	0	0						2
641	Rental of Property	0	0	0	0	0						2
642	Rental of Equipment	0	0	0	0	0						2
650	Transportation Exp.	0	0	0	0	0						2
658	Insurance	0	0	0	0	0						2
675	Misc. Expenses	11,142	0	11,142	7,922	3,220						2
	TRANSMISSION/DISTRIBUTION	186,179										
601	Salaries and Wages	170,214	0	170,214	10,205	4,148	136,636	0	12,888	4,153	2,183	13
661	Storage Facilities	0	0	0			0					4
662	Mains	8,760	0	8,760	4,315	1,754	2,692					12
663	Meters	5,449	0	5,449					5,449			6
664	Services	1,756	0	1,756						1,756		7
615	Purchased Power	0	0	0	0							1
616	Fuel for Power Prod.	0	0	0	0							1
	TRANSMISSION/DISTRIBUTION	109,721										
618	Chemicals	0	0	0	0							1
620	Materials and Supplies	3,841	0	3,841	230	94	3,063	0	291	94	49	13
672	Dist. reservoirs and standpipes	55,076	0	55,076			55,076					4
631	Contractual Serv.	0	0	0	0	0	0	0	0	0	0	13
635	Contractual Serv. - Testing	0	0	0	0							1
636	Contractual Serv. - Other	0	0	0	0	0	0	0	0	0	0	13
641	Rental of Property	0	0	0	0	0	0	0	0	0	0	13
677	Hydrants	923	0	923							923	8
642	Rental of Equipment	117	0	117	7	3	94	0	9	3	2	13
650	Transportation Exp.	0	0	0	0	0	0					12
658	Insurance	0	0	0	0	0	0					12
675	Misc. Expenses	49,764	0	49,764	2,984	1,213	39,947	0	3,768	1,214	638	13
	CUSTOMER ACCOUNTS EXPENSE	39,835										
601	Salaries and Wages	0	0	0				0				5
615	Purchased Power	0	0	0				0				5
616	Fuel for Power Prod.	0	0	0				0				5
670	Bad Debt Expense	18,462	(1,460)	17,002	6,855	2,787	5,285	1,342	492	159	83	10
620	Materials and Supplies	21,373	0	21,373				21,373				5
	CUSTOMER ACCOUNTS EXPENSE	39,736										
631	Contractual Serv.	39,736	0	39,736				39,736				5
635	Contractual Serv. - Testing	0	0	0				0				5
636	Contractual Serv. - Other	0	0	0				0				5
641	Meter Reading	0	0	0				0				5
642	Rental of Equipment	0	0	0				0				5
650	Transportation Exp.	0	0	0				0				5
658	Insurance	0	0	0				0				5
675	Misc. Expenses	0	0	0				0				5

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Revenue Requirement Allocation"

Act	Account	Utility	Staff	Net	Base	Extra Capacity	Customer Costs	Fire	Alloc.
No.		Cost	Adjust	Cost	Cost	Max Day	Billing	Services	Code
601	Salaries and Wages-employees	142,318	0	142,318	57,380	23,328	44,241	1,327	697
603	Salaries and Wages-officers	8,239	0	8,239	3,322	1,350	650	77	40
604	Pensions and benefits	236,187	0	236,187	95,227	38,710	18,636	2,202	1,157
631-636	Outside services	71,487	0	71,487	28,822	11,717	5,641	2,068	350
615	Purchased Power	0	0	0	0	0	0	0	10
616	Fuel for Power Prod.	0	0	0	0	0	0	0	10
656-659	Insurance	44,163	0	44,163	17,806	7,238	3,485	412	216
641-642	Rents	17,742	0	17,742	7,153	2,908	1,400	165	87
650	Transportation Exp.	11,710	0	11,710	4,721	1,919	924	109	57
620	Materials and Supplies	4,646	0	4,646	1,873	761	367	43	23
660	Advertising	6,654	0	6,654	2,683	1,091	525	62	33
666-667	Regulatory Expense	2,013	0	2,013	812	330	626	19	10
675	Misc. Expenses	240,316	0	240,316	96,891	39,387	18,862	2,240	1,178
PRO FORMA ADJUSTMENTS									
	Labor	0	(4,416)	(4,416)	(1,780)	(724)	(348)	(41)	(22)
	Fuel and Power	0	0	0	0	0	0	0	10
	Chemicals	(10,124)	(10,124)	(10,124)	(10,124)	0	0	0	1
	Waste Disposal	0	0	0	0	0	0	0	2
	Management Fees	(3,943)	(3,943)	(3,943)	(1,942)	(789)	(1,212)	0	12
	Group Insurance	0	0	0	0	0	0	0	10
	Pensions	0	0	0	0	0	0	0	10
	Regulatory Expenses	0	0	0	0	0	0	0	10
	Insurance other	0	0	0	0	0	0	0	10
	Customer Accounting	0	0	0	0	0	0	0	5
	Rents	(846)	(846)	(846)	(341)	(139)	(263)	(8)	(4)
	General Office Exp	462	462	462	186	76	144	4	2
	Maint-other	(57,334)	(57,334)	(57,334)	(23,196)	(9,397)	(4,524)	(535)	(281)
	Miscellaneous	(814)	(814)	(814)	(328)	(133)	(253)	(8)	(4)
	SUBTOTAL OPER. & MAIN.	1,721,672	(78,475)	1,643,197	741,617	247,351	469,435	14,115	7,419
	RECONCILIATION								
	TOTAL OPERATION & MAINTENANCE	1,721,672	(78,475)	1,643,197	741,617	247,351	469,435	14,115	7,419
	Depreciation	423,291	(32,088)	391,203	186,712	64,612	31,511	45,935	16,370
	Other Taxes	164,384	0	164,384	29,350	18,944	8,236	12,475	3,805
	Income Taxes	320,728	(34,463)	286,265	159,470	51,112	32,990	21,725	6,626
	Utility Operating Income	701,729	(85,783)	615,946	343,121	109,974	70,981	46,745	14,257
	TOTAL REVENUES REQUIRED	3,331,804		3,100,985	1,522,494	502,400	623,861	140,995	48,477
	Less Special Tariff Revenues			0	0				
	DIRECT CUSTOMER REVENUES			3,100,985	1,522,494	502,400	623,861	140,995	48,477
Cross check =									
If available insert									
Labor Percentages (Code 11) from utility									
will affect items followed by *									

Act	Account	Utility	Staff	Net	Base	Extra Capacity	Customer Costs	Fire	Alloc.
No.		Cost	Adjust	Cost	Cost	Max Day	Billing	Services	Code

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Customer Group Allocation Factors"

Customer Class	Annual Consumption			Max Day				Max Hour				Commercial		Equivalent Meters		Equivalent Services		
	Usage	MGD	% Ave.	% Ave.	Amt. MGD	Excess MGD	% Ave.	% Ave.	MGD	Excess MGD	% Ave.	% Ave.	Monthly Bills	% Ave.	Monthly No.	% Ave.	Monthly No.	% Ave.
Residential	347,614	0.712	45.12%	225%	1.603	0.890	41.46%	275%	1.959	1.247	17.26%	44,729	87.97%	46,318	77.55%	45,104	86.67%	
Commercial	114,460	0.235	14.86%	170%	0.399	0.164	7.65%	200%	0.469	0.235	3.25%	4,874	9.59%	8,794	14.72%	5,711	10.98%	
Industrial	134,497	0.276	17.46%	150%	0.413	0.138	6.42%	175%	0.482	0.207	2.86%	204	0.40%	1,631	2.73%	406	0.78%	
Other Public Auth.	166,278	0.341	21.58%	200%	0.682	0.341	15.87%	250%	0.852	0.511	7.08%	420	0.83%	2,983	4.99%	817	1.57%	
	0	0.000	0.00%	0%	0.000	0.000	0.00%	0%	0.000	0.000	0.00%	0	0.00%	0	0.00%	0	0.00%	
	0	0.000	0.00%	0%	0.000	0.000	0.00%	0%	0.000	0.000	0.00%	0	0.00%	0	0.00%	0	0.00%	
	0	0.000	0.00%	0%	0.000	0.000	0.00%	0%	0.000	0.000	0.00%	0	0.00%	0	0.00%	0	0.00%	
	0	0.000	0.00%	150%	0.000	0.000	0.00%	175%	0.000	0.000	0.00%	0	0.00%	0	0.00%	0	0.00%	
SUBTOTAL	762,849	1.563	99.01%		3.097	1.533	71.39%		3.762	2.199	30.44%	50,227	98.79%	59,725	100.00%	52,039	100.00%	
Fire Prot.	7,628	0.016	0.99%		0.630	0.614	28.61%		5.040	5.024	69.56%	617	1.21%	---	---	----	---	
TOTAL	770,477	1.579	100.00%		3.727	2.148	100.00%		8.802	7.223	100.00%	50,844	100.00%	59,725	100.00%	52,039	100.00%	

Number of public fire protection bills ignored as immaterial

No services assigned to public fire protection; services considered to be part of hydrants.

No services assigned to private fire protection since customer generally pays for service line.

Fire Protection Consumption set at 1% of other consumption.

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Percent Allocation to Customer Groups"

DESCRIPTION	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	OTHER PUBLIC AUTHORITIES					FIRE PROTECTION	TOTAL
Base	45.12%	14.86%	17.46%	21.58%	0.00%	0.00%	0.00%	0.00%	0.99%	100.00%
Maximum Day	41.46%	7.65%	6.42%	15.87%	0.00%	0.00%	0.00%	0.00%	28.61%	100.00%
Maximum Hour	17.26%	3.25%	2.86%	7.06%	0.00%	0.00%	0.00%	0.00%	69.56%	100.00%
Commercial	87.97%	9.59%	0.40%	0.83%	0.00%	0.00%	0.00%	0.00%	1.21%	100.00%
Meters	77.55%	14.72%	2.73%	4.99%	0.00%	0.00%	0.00%	0.00%	---	100.00%
Services	86.67%	10.98%	0.78%	1.57%	0.00%	0.00%	0.00%	0.00%	---	100.00%
Fire Service-Hyd	---	---	---	---	---	---	---	---	100.00%	100.00%

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Cost Allocation to Customer Groups"

DESCRIPTION	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	OTHER PUBLIC AUTHORITIES					FIRE PROTECTION	TOTAL
Base	686,898	226,177	265,771	328,572	0	0	0	0	15,074	1,522,493
Maximum Day	208,312	38,411	32,240	79,715	0	0	0	0	143,723	502,400
Maximum Hour	107,668	20,258	17,854	44,145	0	0	0	0	433,935	623,861
Commercial	105,093	11,452	479	987	0	0	0	0	1,450	119,461
Meters	111,131	21,098	3,912	7,157	0	0	0	0	---	143,298
Services	122,206	15,474	1,101	2,213	0	0	0	0	---	140,995
Fire Service-Hyd	---	---	---	---	---	---	---	---	48,477	48,477
Adjustments *	(9,127)	(2,265)	(2,187)	(3,149)	0	0	0	0	(1,946)	(18,674)
Small Main Adjustment	0	0	0	0	0	0	0	0	0	0
TOTAL COST OF SERVICE	1,332,181	330,606	319,170	459,640	0	0	0	0	640,712	3,082,310
Percent of COSS	43.22%	10.73%	10.35%	14.91%	0.00%	0.00%	0.00%	0.00%	20.79%	100.00%

* for Other and for Unbilled

Special Tariff Revenues	0
Other Operating Revenues	9,392
Unbilled Revenues	9,282
Total Revenues	3,100,984

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Fire Protection Allocation"

FIRE PROTECTION	Equiv. Conn.
Public, monthly	4,452
Private, monthly	<u>709</u>
Total Equiv. Connections	<u>5,161</u>
Total Fire Protection per Cost of Service Study	640,712
Less Billing Costs	1,450
Less Hydrant Costs	<u>48,477</u>
Total Non-hydrant Fire Protection Costs	<u>590,786</u>
Total Non-hydrant Fire Protection Costs Per Equiv. Connection, monthly	114.46
Public Fire Protection Connection Costs	509,587
Plus Hydrant Costs	<u>48,347</u>
Total Public Fire Protection Costs	<u>557,933</u>
Total Private Fire Protection Connection Costs	81,199
Plus Billing Costs	1,450
Plus Hydrant Costs	<u>130</u>
Total Private Fire Protection Costs	<u>82,779</u>

"Private Fire Protection Rates"

Private Fire Prot.	Ratio #	Monthly COSS Rates	Monthly Staff Rates
less than 3"	0.056	8.72	9.00
3	0.162	20.84	21.00
4	0.344	41.75	27.00
6	1.000	116.81	71.00
8	2.131	246.27	146.00
10	3.832	441.01	260.00
12	6.190	710.90	418.00
16	13.192	1512.29	885.00

- ratio based on capacity

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Public Fire Protection Surcharge"
"Single - Tier Method"

Per Hydrant Cost	\$1,503.86															
Customer	Hydrants	Total Cost	Municipal Paid	Customer Surcharge	MONTHLY BILLS				Fire Prot Bills	Equiv. Fire Prot Bills	Monthly Rates				Actual Surcharge	Connections Revenues Per Hydrant
					5/8"	3/4"	1"	1 1/2"			5/8"	3/4"	1"	1 1/2"		
Total	371	557,933	0	557,933	47,582	454	1,079	845	49,960	55,186					313,501	
Outside	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
City of Pontiac	343	515,825	0	515,825	44,523	406	995	678	46,702	51,110	5.55	8.33	13.88	27.75	283,665	11.35
Pontiac Rural	28	42,108	0	42,108	2,959	48	84	167	3,258	4,076	7.32	10.98	18.30	36.60	29,836	9.70
	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
A	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
B	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
C	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
D	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
E	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
F	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
G	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
H	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
I	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
J	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
K	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
L	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
M	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
N	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
O	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
P	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
Q	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
R	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
S	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
T	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
U	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
V	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
W	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
X	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
Y	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
Z	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
AA	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
BB	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	
CC	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00	0.00	0	

Total cost per fire protection customer based on number of Hydrants

Illinois-American Water Company
Docket No. 02-0690
ICC Staff Exhibit 18.0
Schedule 18.1 - Pontiac (Revised)

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Equiv. Meters and Services"

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ITEM	METER RATIO	SERVICE RATIO	RESIDENTAL	COMMERCIAL	INDUSTRIAL	OTHER PUB. AUTHORITIES					TOTAL
METER SIZE											
5/8" disk	1.0	1.0	43,893	3,575	25	137	-	-	-	-	47,630
3/4" disk	1.5	1.1	168	262	36	36	-	-	-	-	502
1" disk	2.5	1.4	527	493	35	48	-	-	-	-	1,103
1 1/2" disk	5.0	1.8	91	308	36	12	-	-	-	-	447
2" disk	8.0	2.5	50	221	48	139	-	-	-	-	458
3" disk	15.0	3.0	-	9	-	-	-	-	-	-	9
4" disk	25.0	4.0	-	6	12	36	-	-	-	-	54
6" disk	50.0	5.0	-	-	12	12	-	-	-	-	24
8" disk	80.0	6.0	-	-	-	-	-	-	-	-	-
10" disk	115.0	6.5	-	-	-	-	-	-	-	-	-
12" disk	168.0	7.0	-	-	-	-	-	-	-	-	-
3" turbine	17.5	3.0	-	-	-	-	-	-	-	-	-
4" turbine	30.0	4.0	-	-	-	-	-	-	-	-	-
6" turbine	62.5	5.0	-	-	-	-	-	-	-	-	-
8" turbine	90.0	6.0	-	-	-	-	-	-	-	-	-
10" turbine	145.0	6.5	-	-	-	-	-	-	-	-	-
Parallel	?	?	-	-	-	-	-	-	-	-	-
Equiv Meters			46,318	8,794	1,631	2,983	-	-	-	-	59,725
Equiv Services			45,104	5,711	406	817	-	-	-	-	52,039

ILLINOIS COMMERCE COMMISSION
Cost of Service Study
"Depreciation Expense Allocation"

Act. No.	Account	Utility Depreciation	Staff Adjust	Net Cost	Base Cost	Extra Capacity Max Day	Max Hour	Billing	Customer Costs Meter	Services	Fine Service	Alloc. Code
	INTANGIBLE PLANT											
301	Organization	2,682	0	2,682	2,682							1
302	Franchise	0	0	0	0							1
308	Miscellaneous	2,920	0	2,920	2,920							1
	SOURCE OF SUPPLY PLANT											
303	Land and land rights	0	0	0	0	0	0	0	0	0	0	13
304	Structures and improvements	1,616	0	1,616	1,384	232	0	0	0	0	0	13
305	Collecting reservoirs	19,916	0	19,916	19,916							1
306	Inakes	2,703	0	2,703	1,922	781						2
307	Wells	0	0	0	0	0						2
308	Infiltration Collection	0	0	0	0	0						2
309	Supply mains	13,263	0	13,263	9,450	3,833						2
309	Other plant	0	0	0	0	0						2
	PUMPING PLANT											
303	Land and land rights	0	0	0	0	0	0	0	0	0	0	13
304	Structures and improvements	577	0	577	284	116	177	0	0	0	0	13
310	Power Generation Equip.	944	0	944	465	189	290					12
310	Other power production	0	0	0	0	0	0					12
311	Steam pumping	0	0	0	0	0	0					12
311	Electrical Pumping	24,700	0	24,700	12,165	4,945	7,588					12
311	Diesel Pumping	0	0	0	0	0	0					12
339	Other Plant & Misc. Equip.	0	0	0	0	0	0					12
	WATER TREATMENT PLANT											
302	Land and land rights	0	0	0	0	0	0	0	0	0	0	13
304	Structures and improvements	38,876	0	38,876	27,640	11,236	0	0	0	0	0	13
320	Water treatment	62,238	0	62,238	44,250	17,988						2
339	Other Plant & Misc. Equip.	0	0	0	0	0						2
	TRANSMISSION/DISTRIBUTION											
127,184												
303	Land and land rights	0	0	0	0	0	0	0	0	0	0	13
304	Structures and improvements	4,085	0	4,085	704	286	497					13
330	Dist. reservoirs and standpipes	1,735	0	1,735			1,735					4
331	Mains	43,070	0	43,070	21,213	8,623	13,233					12
333	Services	33,187	0	33,187						33,187		7
334	Meters	24,919	0	24,919					24,919			6
334	Meter installations	8,361	0	8,361					8,361			6
335	Hydrants	11,827	0	11,827							11,827	6
336	Backflow Prevention Devices	0	0	0	0	0	0	0	0	0	0	7
339	Other Plant & Misc. Equip.	0	0	0	0	0	0	0	0	0	0	13
	GENERAL PLANT											
303	Land and land rights	0	0	0	0	0	0	0	0	0	0	9
304	Structures and improvements	5,091	0	5,091	2,430	841	410					9
340	Office furniture	21,368	0	21,368	10,213	3,534	1,724					9
341	Transportation	18,949	0	18,949	9,996	3,113	1,518					9
342	Stores	127	0	127	61	21	10					9
343	Tools etc	7,224	0	7,224	3,448	1,183	582					9
344	Laboratory	8,366	0	8,366	3,983	1,382	674					9
345	Power operated	6,837	0	6,837	3,263	1,129	551					9
346	Communications	1,154	0	1,154	551	191	93					9
347	Miscellaneous	1,048	0	1,048	500	173	84					9
348	Other Longlife Plant	0	0	0	0	0	0					9
359	RECONCILIATION	0	0	0	0	0	0					9
	TOTAL DEPRECIATION	367,713	0	367,713	176,428	58,807	29,169	0	42,638	42,519	15,153	
	Allocation Code 9 Calculation			367,713	47,75%	16,52%	9,05%	0,00%	11,77%	11,74%	4,16%	100,00%

Cross check =

Docket No. 02-0690
 ICC Staff Exhibit 18.0
 Schedule 18.2 - Pontiac (Revised)

**ILLINOIS-AMERICAN WATER COMPANY DOCKET NO. 00-0340
 TYPICAL RESIDENTIAL BILL COMPARISON (5/8 INCH METER)**

PONTIAC DISTRICT

	CURRENT	COMPANY PROPOSED	STAFF PROPOSED	
FACILITIES CHARGE	\$9.50	\$11.65	\$11.52	
USAGE CHARGE (CCF)	\$2.4500	\$3.0035	\$2.5675	
FIRE SURCHARGE	\$5.55	\$6.80	\$5.55	City of Pontiac

LINE	USAGE 100'S NO. CU. FT.	USAGE IN GALLONS	CURRENT MONTHLY BILL	COMPANY PROPOSED MONTHLY BILL	DOLLAR INCREASE	PERCENT INCREASE	STAFF PROPOSED MONTHLY BILL	DOLLAR INCREASE	PERCENT INCREASE
1	1	748	\$17.50	\$21.45	\$3.95	22.57%	\$19.64	\$2.14	12.2%
2	2	1,496	\$19.95	\$24.46	\$4.51	22.61%	\$22.21	\$2.26	11.3%
3	3	2,244	\$22.40	\$27.46	\$5.06	22.59%	\$24.77	\$2.37	10.6%
4	4	2,992	\$24.85	\$30.46	\$5.61	22.58%	\$27.34	\$2.49	10.0%
5	5	3,740	\$27.30	\$33.47	\$6.17	22.60%	\$29.91	\$2.61	9.6%
6	6	4,488	\$29.75	\$36.47	\$6.72	22.59%	\$32.48	\$2.73	9.2%
7	7	5,236	\$32.20	\$39.47	\$7.27	22.58%	\$35.04	\$2.84	8.8%
8*	8	5,984	\$34.65	\$42.48	\$7.83	22.60%	\$37.61	\$2.96	8.5%
9	9	6,732	\$37.10	\$45.48	\$8.38	22.59%	\$40.18	\$3.08	8.3%
10	10	7,480	\$39.55	\$48.49	\$8.94	22.60%	\$42.75	\$3.20	8.1%

Notes:

* Typical monthly residential usage

